

Thailand AERA 17th Quarterly Activities Report
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EXECUTIVE SUMMARY

Business Advisory Center

In order to broaden its impact, as recommended by the USAID evaluation team, the Business Advisory Center has moved to a more wholesale approach that includes cooperating with relevant government agencies with SME assistance projects and an increased emphasis on training and capacity building. Business knowledge-providing seminars continue to be a major capacity-building activity of the BAC. The various BAC seminars are meant to help the leaders of small businesses realize the need to focus on carefully selected niche markets, increase their ability to innovate and increase attention to branding. Knowledge of the latest economic trends and opportunities is also provided to equip business leaders with necessary information to steer their businesses wisely.

A 3-product team structure comprising International Marketing, Financial Advisory Services and Management Tools is further developed with emphasis on training, both formal and on-the-job, to fully develop staff capacity. A new team is being developed to provide services on entrepreneurship and incubation. This is meant to create more capable new entrepreneurs to help drive the economic engine. Consultants in other product teams are pooled to teach on courses that fit their expertise. The team utilizes a pro-active marketing approach by joining hands with the Vocational Education Commission, Ministry of Education and the Dhurakijpundit University to develop joint entrepreneurship development programs. Efforts will be made to foster similar relationships with other like-minded organizations to reach the whole country. BAC consultants are developing into competent entrepreneurship trainers.

Business Support Organizations Partnership Program

The BSOP, which aims to develop partnerships between US and Thai business support organizations, has been concentrating on projects which develop and promote good governance, transparency, business structural reform, business ethics, deepening of financial reform, and international competitiveness.

In this quarter, three large-grant projects and one small-grant projects were approved. Two large-grant partnership projects were completed. Since the beginning of the BSOP program in October 1999, a total of thirty-two large and small partnership projects have been approved and implemented under the program. In total, twenty large grant partnership projects have been completed and six large-grant partnership projects are underway.

Education

In this quarter, the two projects carried out by the Education Program are mainly focused on English teaching development. The materials of English through Entertainment are employed in provincial high schools nationwide and the teachers demonstrate their



abilities in applying the contents to fit their classes and local circumstance. For 2003 Chula Conference project, a name list and CVs of three US English Language Teaching (ELT) experts were submitted for KIA Asia review.

Border Action Against Malaria

During this quarter, pilot implementation of an integrated thematic curriculum unit on *Mosquito-Borne Diseases: Malaria* in grades 1-9 reached 40 border area schools in Tak, Mae Hong Son, Chiang Mai, Chantaburi, and Trat Provinces. *In vitro* sensitivity monitoring and *in vivo* therapeutic efficacy study of currently used front line anti-malarial drugs took place in 9 border provinces. A total of 15 expansion sites undertook analysis of ways that communities can protect their members from malaries. The project implemented a geographical information system for malaria control in Chantaburi Province. Development of a community-based epidemiology information system focusing on malaria control took place in Trat Province. Research and development efforts continued in order to produce dipstick tests for malaria antigen detection.

Thailand Competitiveness Initiative

The team decided to categorize cluster activities into a “low-level engagement” and a “high-level” of engagement. The former would only involve presentations, on diagnostics, for example, but would not require proactive engagement. High-level engagement means developing strategies and action plans. It will include the following clusters: (1) HVAP, (2) Multi-Media, and (3) Gems. Two relatively new clusters, (4) marine food and (5) Chiang Mai tourism

The following activities are the highlights of the quarter just concluded:

- In Thailand,
 - The tourism cluster in Chiang Mai signed a Memorandum of Understanding.
 - The MoU for the marine/seafood cluster in the south was prepared, for signing in a conference on January 13.
 - The multi-media cluster held several meetings to prepare for the visit of a specialist consultant
 - Eight JAA consultants provided two person-months of technical assistance to the clusters, as well as training for the TCI staff. The STTA are described in the main text of the report, under the respective clusters, and in the annexes.
 - The high value agricultural products cluster has developed strategies and action plans for increasing food safety through the “GAP” concept (initiated by TCI). The GAP-strategy started with 30 farm families, and now includes over 1,200 farm families in the three western provinces, TCI



played a part in preventing the original government plan for 100% inspection (which would have disastrous effects on perishable products, and was not possible to implement.) TCI is assisting the government with its roll-out of GAP to other areas of the country.

- TCI held conferences in Bangkok on cluster evaluation, Thailand's competitiveness and the multi-media industry. It also made presentations to three conferences in Chiang Mai, two in Songkla and one in Korat
- In Cambodia,
 - TCI's partner, SME Cambodia completed its first report on the Tonle Sap fishery cluster, with the guidance of the JAA President.
 - After a TCI case-writing seminar with the National Institute of Management, NIM completed the draft of the first case on the Cambodian tourism industry.
 - The JAA/VP and the TCI CoP gave presentations on developing regional plans for the northwest provinces of Cambodia.
- In Viet Nam, TCI made a presentation on examples of cross-border/regional linkages for Viet Nam's agribusiness products.



PROJECT PROGRESS REPORTS

Business Advisory Center

Volunteer Experts for Manufacturers of Citric Acid

A manufacturer of citric acid in Bangkok requested BAC assistance a follow-up project. Mr. David J. Solow was again recruited through IESC to provide assistance in the fermentation process of citric acid. The market price of citric acid has been steadily dropping over the past few years and Mr. Solow was asked to help lower costs to keep the company competitive.

Beginning September 29th and concluding October 24th, Mr. Solow worked to identify areas to save time, energy and waste. Several of his recommendations have already been implemented while others are in the planning stage. The managing director of the production facility is confident Mr. Solow's help will have ongoing, significant benefits.

In a closely related project, Mr. Reginald Grimm was recruited through IESC to provide assistance in manufacturing cost reduction in the downstream segment of citric acid production.

During the same period Mr. Grimm worked to identify areas to save time, energy and waste. His findings and suggestions were crucial for the company to improve productivity throughout the entire manufacturing process and remain competitive in the industry. At present, the manufacturer has successfully implemented some of the recommendations. Other recommendations are in the planning process to be implemented in the near future. The managing director of the production facility is working to implement the recommendations as quickly as possible and is confident the company will remain competitive by modifying their process.

“A New World of Opportunities for SMEs” Seminar

The Business Advisory Center organized a seminar entitled “A New World of Opportunities for SMEs”. The seminar, with support from American Express, aimed to provide the latest data on the Thai and international economies as well as future prospects and advice on alternative strategies that SMEs could utilize to gain competitive advantages and compete in the new world economy.

Dr. Somjai Phagaphasvivat, a highly respected economist, presented the latest data on the Thai economy and relevant international development and concluded with his view on future prospects of the Thai economy in the near and medium terms. Then Dr. Saisawan Vadhanapanich of the BAC moderated an expert panel to explore alternative strategies for Thai SMEs to take advantage of emerging business trends and prospects. This was

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followed by a networking workshop that provided the participating SMEs with an opportunity to make business connections. Professor Krairit Boonyakiat, a highly respected businessman and a successful marketer, provided advice on practical strategies for SMEs to compete and grow with confidence as well as advice on SME succession planning. The participants were treated with practical experience from two highly successful entrepreneurs, Khun Wichai Poolworarluk of the second largest Cineplex chain, EGV Entertainment, and Khun Permsin Lertrathakarn of Thailand's leading greeting card maker, Thanyanij. Khun Wichai showed how an innovation strategy is utilized to great success at EGV while Khun Permsin illustrated how his "Cordial" card company was developed from humble beginnings in 1985 to become the dominant card maker in the country.

"Business Strategy: Winning with Branding" Seminar

The BAC cooperated with the Department of Intellectual Property (DIP), Ministry of Commerce to organize the "Business Strategy: Winning with Branding" Seminar for over 200 SME executives and entrepreneurs on November 13, 2003. The seminar was utilized to disseminate knowledge on the importance of branding and intellectual property protection among SMEs. The morning sessions saw presentations on branding strategies and brand building methodologies by Khun Sirikul Laukaikul, who heads the Bangkok operation of Enterprise IG-the World's largest branding and identity consulting firm and the current secretary of the Marketing Association of Thailand, and Dr. Sompop Chareonkul, another renowned marketer from Loxley. Khun Chairat Assawangkoon, who heads a leading graphic design company, then presented ideas and principles of logo design. The afternoon sessions featured advice on brand name and trademark registration in Thailand by Khun Somsak Panichayakul, a legal expert from the DIP, and tips on overseas registration by Khun Boonma Techawanich, the MD of a leading legal firm specializing in international IPR cases. Dr. Saisawan Vadhanapanich of the BAC then moderated a concluding session by Khun Sanit Wangwicha, who heads marketing drive of the famous Red Bull energy drink, and Khun Wichian Rerkpaisan of GMM Grammy, the country's number 1 entertainment company, to discuss how their respective companies use brand names to gain customer loyalty and market shares.

MOU signed with Dhurakijpundit University to groom student entrepreneurs into business owners

The BAC signed a memorandum of understanding with the Dhurakijpundit University on November 11, 2003 to cooperate in the establishment of an Incubation Center to train senior students, students who have graduated from the university and the general public who wish to start new businesses to become entrepreneurs.

Assoc. Professor Dr. Varakorn Samakoses, the Rector of the University, said the university aims at training students to have basic business skills of entrepreneurs and manage their own businesses after graduation. This is part of the BAC's strategy of



creating new entrepreneurs who can compete in international markets and contribute to sustainable economic development.

The Incubation Center will train and develop last-year students, students who have graduated from the university and members of the general public who wish to start new businesses. The Center will provide the skills, knowledge and necessary support needed by new entrepreneurs.

MOU signed with Ministry of Education to develop new entrepreneurs

The BAC signed a memorandum of understanding with the Vocational Education Commission, Ministry of Education on December 1, 2003 to cooperate in developing a train-the-trainers entrepreneurship course to equip senior vocational students with necessary business know-how to enable selected some of them to become entrepreneurs and start their own businesses.

The commission is responsible for the provision of vocational education and vocational training for Thailand. It has 412 vocational schools all over the country under its supervision. It is pursuing the government's New Entrepreneurs Creation policy to create 50,000 new entrepreneurs each year. The commission links up with the Kenan Institute Asia to combine its vocational training capability with the BAC's business training prowess, and will complete the link with an appropriate financial partner to realize its entrepreneur creation plan.

The BAC will provide train-the-trainers training to 56 teachers from 28 vocational schools selected from all over the country. It will then train 50 students from each of the 28 schools or a total of 1,400 students. Afterward, the BAC will work with the schools that are ready to establish business incubation centers to support new businesses established by trained students. The cooperation is to last three years with an aim to provide necessary business knowledge training, support, and linkages with required resources to enable qualified students to start their own businesses and sustain them to contribute to Thailand's future economic growth.

Indicator Tables

Intermediate Objective 1

Bank and Business Activity Restarted

Indicators

Total number of SMEs receiving AERA consulting assistance
Increase in gross revenue

Unit of Measure

Number of firms assisted



Average percentage change in gross revenue on the part of assisted firms.

Source

Company records and company reports to BAC

Indicator Description

Current GDP growth projections for Thailand are in the 2.5% range. SMEs receiving AERA assistance are expected to perform at least twice as well and a target of 5% growth in total revenue has been set. One year after assistance, firms' revenue for the most recent quarter will be compared to the same quarter the previous year.

Year	Target # of Assisted SMEs Cumulative	Actual # of Assisted SMEs Cumulative	Actual Average % Increase
2000	20	116*	31% ¹
2001	120	165	40% ²
2002	220	193	43% ³
2003	320	231	50% ⁴
2004	410	<u>245</u>	<u>25%</u> ⁵
2005	500		

* Including 40 for 1999

¹: 10 projects out of 32 respondents reported sales increase
16 projects reported no change in sales
3 projects reported sales decrease
3 projects did not reveal sales data

²: 2 projects out of 5 respondents reported sales increase
2 projects reported no change in sales
1 project did not reveal sales data

³: 16 projects out of 37 respondents reported sales increase
15 projects reported no change in sales
2 project reported sales decrease
4 projects did not reveal sales data

⁴: 2 projects out of 5 respondents reported sales increase
Q1&2 2 projects reported no change in sales

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1 project did not reveal sales data

Q3 5 projects out of 9 respondents reported sales increase (1 project reported 10% increase, 1 reported 5% and 3 did not reveal figures)

2 projects reported no change in sales

2 projects did not reveal sales data

Q4 3 projects out of 6 respondents reported sales increase (1 project reported more than 10% increase, 1 reported about 200% and 1 did not reveal % increase)

1 project reported no change in sales

2 projects did not reveal sales data

'03 total 10 projects out of 20 respondents reported sales increase

5 projects reported no change in sales

5 projects did not reveal sales data

⁵ : 1 project out of 4 respondents reported sales increase

Q1 3 projects reported no change in sales

Indicator tables

Intermediate Objective 1

Bank and Business Activity Restarted

Indicator

Business plans or elements of business plans in use by SMEs receiving AERA assistance.

Unit of Measure

Percentage of SMEs with current business planning.

Source

Company follow-up reviews by BAC.

Indicator Description

Each SME receiving assistance will be encouraged where appropriate to use business planning methodologies. The percentage of firms that continue to maintain that planning one year after assistance is projected at 50%.

Year	Target	Actual
1999	0	Baseline - 0
2000	50%	100% *
2001	50%	100% *
2002	50%	97% **

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2003	50%	100% ***
2004	50%	<u>75% ****</u>
2005	50%	

- * All of the 32 and 5 responded projects in year 2000 and 2001 respectively either have business plans newly created or have existing plans in place
- ** 36 of 37 respondents have business plans in place and 1 does not
- *** All of the 5 respondents for Q1&2, all 9 respondents for Q3 and all 6 respondents for Q4 reported having business plans in place
- **** 3 of the 4 respondents for Q1 reported having business plans in place



Business Support Organizations Partnership Program

New Large-Grant Projects Approved

1. IPR Management Training Program

The project joins the International Intellectual Property Institute (IIPI) and BIOTEC with KIAAsia and other key stakeholders to contribute to a roadmap for national IP development and provide intellectual property management training for researchers, potential biotech entrepreneurs, investors and SMEs to promote bio-entrepreneurship in Thailand and build the IPR commercialization skills of a core group of KIAAsia Intellectual Property consultants. The Thailand Research Fund and Chulalongkorn University's Intellectual Property Institute will collaborate on this project and the IP Roadmap will be coordinated with a larger roadmap being developed by TRF. Activities will include videoconferences, an IP study and roadmap, curriculum development and a series of industry training courses. The objectives of this project are to develop and deliver a course for entrepreneurs, researchers and bio-entrepreneurs on IPR commercialization and marketing for economic growth, and to build capacity to form an IPR commercialization consultant group, housed at KIAAsia; exploiting IP resources for economic growth.

2. Corporate Citizenship Training Program: Engaging the Private Sector for Sustainable Economic Progress – Phase I

The goal of this project is to encourage and leverage resources from the corporations to engage in social and economic development within their communities. KIAAsia's BSOP program, Thai experts, and The Center for Corporate Citizenship at Boston College (The Center) propose to join together to deliver a series of training initiatives that promote private sector participation in local economic development. The proposed corporate training initiatives are designed to 1) expand the dialogue about corporate citizenship within the business community operating in Thailand, and 2) build capacity and leadership within companies so that they can adopt and implement against emerging corporate citizenship business models built in part around effective corporate community engagement.

The proposed pilot program Phase I will include three components:

- (1) Preparation – curriculum adjustment, marketing, and coordination – KIAAsia's BSOP Program, the Center, and the Thai experts will work together to prepare for a pilot course in Thailand;
- (2) Executive Briefing on Corporate Citizenship – The Center's expert will deliver a half-day workshop to introduce the idea of corporate citizenship to senior executives from corporation in Thailand; and



(3) The Institute on Corporate Community Involvement – a pilot Institute on Corporate Community Involvement course will be delivered for corporations and community relations officers in Thailand

3. Developing Rayong as a Livable Community: Proposal for the Economic Development Partnership Component

The main objectives of the program are to develop and sustain a pilot economic development partnership in Mab Tha Phut/Rayong that effectively addresses the community's development agenda and to promote economic development partnerships (EDPs) as models for sustainable community development in Thailand

In the United States, Economic Development Partnerships (EDP) that channel business, government, and civil society resources, both financial and otherwise, have had significant impact in helping communities become better places to live. Some such partnerships have helped communities overcome problems similar to those facing the Rayong/Mab Tha Phut region. Examples of this model include the very effective, Golden Triangle Business Improvement District (GTBID) in downtown Washington, DC, the Boston Main Streets program in Massachusetts, and the Baltimore Development Corporation in Maryland. Through these types of connective leadership institutions, stakeholders from across the community are able to partner in designing a plan for development and implement it by leveraging the strengths of different sectors.

Through this project, stakeholders in the Rayong community will gain hands-on experience in creating and sustaining an economic development partnership to develop Rayong province into a “livable community”.

The project activities will include:

- (1) Participant Recruitment/Coalition;
- (2) Development; U.S. Observational Program/ Knowledge Transfer;
- (3) Stakeholder Dialogues;
- (4) Rayong Community Assessment with US Experts;
- (5) Project Implementation;
- (6) Project Monitoring and Evaluation; and
- (7) KIA Asia Staff Development

New Small-Grant Project Approved

1. International Pension Exchange Program

With BSOP support, Ms. Diane Mayers, Executive Director of the Pacific Pension Institute (PPI), traveled to Bangkok to provide assistance to the Government Pension Fund of Thailand and to describe the Institute's activities to Thai organizations. Ms. Mayers was invited to be keynotes speaker and facilitator for the “2003 Asian Pension

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Fund Roundtable Meeting”. PPI’s activities are part of an ongoing dialogue between pension fund leaders throughout Asia. The program aims to strengthen the standards and performance of national pension systems as well as promote more effective and transparent corporate governance in the private sectors throughout the region.

Projects Completed during this Quarter

1. Building Capacity and Professional Standard for Property Valuation in Thailand

BSOP, in collaboration with the Securities and Exchange Commission (SEC), organized an information session on property valuation in Thailand that announced a new draft set of standards for the valuation profession.

This session was organized as a springboard to further discussion among appraisal professionals including property appraisers, commercial bankers, and academics. The industry anticipates further revisions to the current professional standards in Thailand. A total of 250 delegates attended the session from organizations that included the Valuers Association of Thailand, the Thai Valuers Association, and the Thai Banker Association.

The event was the final component of the project that aims to build capacity and improve professional standards for property valuation. The project was successfully completed.

2. SET Junior Achievement Thailand (SET-JAT)

The BSOP provided support to the Thailand Securities Institutes (TSI) of the Stock Exchange of Thailand (SET) to organize, develop and deliver economics education programs for Thai youth and to promote Thai capital markets. Junior Achievement International (JAI), an International arm of the well-known US economic education organization, has provided the TSI with curriculum, education materials, and expert technical and training. The JAI curriculum and materials were translated into Thai. To date, over 2,000 students were trained. The activities under BSOP support were completed. The program is now self-sustaining beyond the BSOP grant.

Ongoing Activities

1. Establishing TLAPS Linkage with APICS

Under BSOP support, the Thai Logistics and Production Society (TLAPS), in partnership with the American Production and Inventory Control Society (APICS), is preparing Thai

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candidates for the Certified Production and Inventory Management (CPIM) examination to be held in Thailand. The partners invited Mr. Keith Launchbury and Mr. Joel R. Karum, APICS trainers, to deliver a 3-day pilot review class for Thai candidates for the exam on December 13. This class was the third pilot review focused on the Detailed Scheduling and Planning (DSP) module. The class was attended by 22 middle managers from the private sector, all working in the areas of logistics and production. The next two review classes are scheduled for February 2004.

To become certified, the candidate must pass five interrelated CPIM modules including Basics of Supply Chain Management, Master Planning of Resources (MPR), Detailed Scheduling and Planning (DSP), Execution and Control of Operations (ECO), and Strategic Management of Resources (SMR).

Regulatory Dialogue Program

With funding from USAID under the Accelerating Economic Recovery in Asia program, BSOP and PADCO, a legal consultant work with a range of U.S. and Asian partners and donors to support country-led reform initiatives by facilitating access to international best practices that promote improved corporate and public governance. One dialogue project was approved by the KIASIA Working Group Committee in this quarter. To date, four dialogue projects in Thailand have been approved and implemented under BSOP program support. Three dialogue projects in Vietnam have been approved and implemented. One dialogue project in Vietnam was completed during this quarter. In total, three large-grant projects were completed.

New Project Approved

1. Developing a Thai Open Meetings Law

The Office of the Maryland Attorney General, PADCO and the Kenan Institutes have agreed to work with the, Council of State, the Open Meetings Law Subcommittee, and the research team to facilitate access to international and U.S. best practices in developing the new sunshine law by establishing direct linkages between Thai and U.S. practitioners and legal experts. While Office of the Maryland Attorney General will provide access to U.S. expertise and information, PADCO will work directly with the Thai lawyers to help facilitate the development of strategic U.S.-Thai partnerships.

The program's objectives in support this Thai-led initiative are to: (1) facilitate access to U.S. law and practices through the experience practicing attorneys and other experts, and (2) support the development of the law by establishing linkages between counterpart Thai and U.S. organizations. Beginning in December 2003, the program will consist of a series of integrated, cost-shared activities divided into three components and completed over an eight-month period:

- Consultation Workshops: Reviewing Research Analysis and Introducing U.S. Law



- Development of the Draft Open Meetings Law
- Workshop: Exchange on the Draft Open Meetings Law

Each component will achieve specific objectives aimed at supporting the Council of State and Open Meetings Law Research Team in completing the analysis and developing the draft law. By the end of the program, the Council of State will strengthen the proposed law that take into account the Thai stakeholders input and international lessons learned and limitations based in part on the law development process employed for the class action amendments and the Public Consultation Law.

Business Support Organization Partnerships Indicator Tables

Intermediate Objective 1 Corporate and Financial Governance Improved

Indicator	Policies, systems, or procedures adopted by participating partner organizations
Unit of Measure	Number of participating organizations implementing policies, systems, or procedures introduced or strengthened through the partnership fostered by the BSOP

Year	Expected Measures Cumulative	Actual
1999	0	Baseline - 0
2000	2	7
2001	7	17
2002	10	23
2003*	15	25
2004	20	
2005	25	

* Q3 of Year 2003 (October – December 2003): In total, 25 policies and systems have been changed.

Intermediate Objective 2 Financial and Corporate Governance Improved

Indicator	The number of long-term partnerships initiated and maintained
Unit of Measure	Number of partnerships

Year	Expected Partnerships Cumulative	Actual
1999	0	Baseline - 0
2000	2	7
2001	4	16
2002	8	22

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2003*	12	23
2004	10	
2005	8	

*Q3 of year 2003 (October – December): 23 partnerships between Thai and U.S. organizations are maintained.

Projects which partnerships are no longer existed were TRIS (one time consultant for technical assistance) and Institute for Management and Education for Thailand Foundation (IMET) (project ended).

AERA Education Program

The AERA Education Program aims to develop Thailand's young people so that they are equipped with the IT and English skills in order to become quality workforce who can contribute fully to the country's economic development. In accomplishing this goal, the AERA Education Program has concentrated on projects that promote the use of information and communications technology (ICT), active participatory learning and community linkages as learning tools so that both educators and students are comfortable with new technologies and learning styles. The main target groups of the AERA Education program are students and teachers at both the secondary and higher education levels. At the secondary level, the AERA Education Program works with the Ministry of Education and schools. At the higher education level, special emphasis has been given to community colleges and Mae Fah Luang University, both newly-set up higher education institutions.

In this quarter, two English teaching development projects were completed. Teaching materials produced by the English Through Entertainment project were distributed to provincial high schools nationwide and the teachers demonstrated their abilities in applying customized contents to fit their own classrooms. The international conference on innovative ideas for English language teaching held in December 2003 was a success.

New Projects Approved

1. Information and Communications Technology Training for Educational Purposes in Rural Higher Education Institute

The project was approved by the KIA Asia Working Group Committee on December 17, 2003. The main objective of this project is to enhance the e-Learning competency of Rajabhat Institute Surin (RIS), a rural higher education institute in the Northeastern Thailand. The main activity of the project is to train 20 educational staff from RIS who will become trainers for other RIS staff and teachers from 17 schools' labs in Surin province on ICT for education development skills. After the completion of this course, trainees will be able to finish and upload websites. They will integrate this new tool/teaching method in their regular classes. Approximately 1,000 students will gain knowledge from 20 web sites that will be created by the 20 trainees in this program.

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Projects Completed in this Quarter

1. English through Entertainment

The English through Entertainment project was completed in December 2003. The project worked to develop a teaching model to improve English skills of Thai high school students. It provided additional training materials to the Ministry of Education's English core courses and can be integrated into the existing curriculum. Each teaching package is consisted of a teacher's manual, a book on lesson plans, and instructional aids including video and cassette tapes. The project distributed over 3,000 training packages to secondary schools nationwide. Feedback from teachers and students has been very positive. This project implants a better attitude towards learning English in students and improves integrated English skills by using a more interesting approach.

2. Chula Conference on Innovative Ideas for English Language Teaching

The International Conference on 'ELT in a Globalized World: Innovations and Applications' was successfully organized between December 5-17, 2003 at the Royal Orchid Sheraton Hotel. The event attracted approximately 400 scholars and academics from both local and overseas educational institutions as well as those who are interested in the field of English language teaching and learning. The key speakers consisted of 13 experts and scholars in the field from major educational institutions around the world. The key speakers consisted of 13 experts and scholars in the field from major educational institutions around the world. The AERA Education Program sponsored three speakers from the US. This project was completed in December 2003.

3. Participatory Learning Leading to Integrated Community Development

The project uses a new learning approach to involve community members in understanding more about the value of education and the action competency that students were able to develop. The activities mainly focus on staff development of all related participants such as school staff and key members of the community. This project is partly modeled after the AERA-funded Border Action Against Malaria Program (BAAM), which has proven to be highly effective in identifying the causes of the problems and developing solutions. Main project activities included several training, workshops, and networking meeting targeting teachers.

On-going Projects

1. English Language Center for Mae Fah Luang University

The AERA Education Program assists Mae Fah Luang University in its effort to establish an English language center. TESOL specialists from Oregon State University provided consultation and workshops on curriculum development and set-up of a resource center to the Liberal Arts Faculty's English teachers for phase I. As for the Phase II, MFLU English teachers will be trained in English language teaching skills at OSU. OSU experts



will also be delivering a series of training to MFLU English language faculty members at MFLU. The Phase II of the project is now scheduled for March 30 - May 15, 2004.

2. Self-Access English Language Centers for Thai Community Colleges

The AERA Education program continues its assistance to the 10 Thai Community Colleges with a target to improve their English teaching capabilities by assisting them in setting up a self-access English language center at each college. The self-access centers will be equipped with learning materials, including books and multimedia resources that are suitable for learners with varying levels of English language skill. For the first phase of the project, three community colleges in Mae Hong Sorn, Mukdaharn, and Tak provinces were selected to start pilot self-access centers.

In this quarter, from a Request for Proposals announced to both Thai and US higher educational institutions, two Thai experts from King Mongkut's University of Technology Thonburi (KMUTT) and two American experts from Oregon State University (OSU) were selected to assist the community colleges in setting up self-access English language centers. KMUTT currently has the oldest and the best self-Access English language center in Thailand. In November and December 2003, the two Thai experts traveled to Mae Hong Sorn and Mukdaharn to conduct a needs assessment for English language usage of the private sector in these two provinces so that the self-access centers could be custom-designed to fit the needs for the economic development of each province. The two Thai experts plan to travel to Tak province in January 2004. The two American experts from OSU are scheduled to be in Thailand to help set up the first three pilot centers in March 2004.

3. Thai Youth Development by ICT Project - Web-Aided Instruction Train-the-Trainers Component

The AERA Education Program provides support to the Thai Youth Development by ICT project initiated by the Ministry of Information and Communications Technology. This E-education project aims at expanding learning opportunities for Thai youth by building and enhancing their ICT skills, which will lead Thailand to be a knowledge-based society. The AERA Education Program supports the training of 1,000 leading teachers on web-based instruction/training skills. After completing this course, all these teachers are required to train at least 5 colleagues or other teachers in their community on the web-based instruction/training skills within 3 months. In this quarter, the training was delivered to equip teachers with ICT knowledge in think.com software, computer graphics and Internet browser programs. The evaluation of the training is being conducted and expected to be completed in the next quarter.

Direct Impact of the AERA Education Program from Projects Completed

1. Upgrading English teaching and learning capabilities of teachers and students in Thailand
 - over 300,000 high school students introduced to integrated English skills (writing, speaking, listening and reading) by a more interesting approach

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- 3,000 packages of English through Entertainment produced and distributed to 3,000 high schools in Thailand
 - A global network among ELT scholars established and developed during 3-day Chula conference. The opportunity for future collaboration will be enhanced
 - 10 English teachers trained on the curriculum development process and operation of a Self-access Learning Center
 - 2,300 MFLU students benefiting from the Resource/Self-access English Learning Center
2. Upgrading IT skills of teachers and students and the use of ICT in teaching and learning in the classroom
 - 20,000 teachers trained on web-based instruction/training skills
 - 4,000 WAI to be developed and customized to local context
 3. Introducing new ways of learning to educational administrators, teachers, and students in Thailand
 - 70 teachers and community leaders learning a new learning approach
 - 39 teachers from schools in Chiangrai and Phayao able to develop a teaching plan concerning the community's problem
 - 33 Thai community college administrators trained on leadership skills
 - 28 community college administrators received firsthand experience about the success of US community colleges in Hawaii



Border Action Against Malaria (BAAM)

The Border Action Against Malaria Project (BAAM) works with a broad national coalition to slow the emergence and spread of multi-drug resistant malaria in Thailand's border areas. The program is developing new models of cooperation and partnership, particularly with communities and the public health system, to monitor, understand, and respond to the threat that such resistant strains will spread, not only in Thailand, but also across the region. This is intended to contribute to decentralization and reform of the public health system, improving its effectiveness as well as empowering and enabling communities to become more self-reliant in malaria prevention and control. The purpose of the project is to improve the national capacity for surveillance and response to multi-drug resistant malaria.

Project Activities Implemented This Quarter

During the reporting period from October to December 2003, activities implemented included the following:

Surveillance of MDR Malaria

Sentinel site monitoring of anti-malarial drug resistance: *In vitro* sensitivity monitoring and *in vivo* study of therapeutic efficacy of the currently used front line antimalarial drugs continued in 9 border provinces under the malaria sentinel surveillance drug resistance network initiative.

Study on drug use practices: Consultations were held with Olya Duzey from MSH, Dr. Jeeraphat from the Bureau of Vector-Borne Diseases (MOPH), and BAAM management on planning the initial antimalaria drug-use practices studies on the Thai-Cambodia border. A field trip was conducted to identify potential sites and collect epidemiological data as input into the process of formulating a proposal for a subgrant from BAAM to BVBD for the first study in Chantaburi and Trat Provinces at the end of the December-January transmission peak. It is anticipated that a subgrant will be awarded during the next quarter.

Drug quality control monitoring: BAAM management held consultations on drug quality control initiatives of US Pharmacopeia with WHO Mekong RBM, WHO Cambodia, WHO/WPRO, MSH, and the Thai Bureau of Drugs and Narcotics. BAAM will support incorporating the data flow from the drug testing in Thailand and results of drug use practices studies into the annual technical workshop on sentinel surveillance in 2004.



Response to MDR Malaria

Treatment policy for multi-drug resistant malaria: Following on the BAAM-sponsored national-level technical workshop to review results of sentinel surveillance and consider changes in the national treatment regimen policy for multi-drug resistant malaria, the Bureau of Vector-Borne Diseases (BVBD) drafted the new policy regarding provinces where the first-line regimen should be changed and the specific regimen of combination treatment. Results of this meeting are expected to be issued as new treatment guidelines during the next quarter.

Research and development of an affordable, reliable, locally-produced rapid test for malaria antigen: The Ministry of Public Health continued research on developing dye particle-linked monoclonal antibodies against pLDH and pGAPDH for malaria antigen detection; research for cloning and expression of LDH and GAPDH enzymes from *P. falciparum* by genetic engineering method; and research and development for production of a dipstick kit utilizing dye particle-linked monoclonal antibodies against pLDH and pGAPDH for malaria antigen detection.

Partnerships for a School-based Approach to Community Action Against Malaria Subproject: The Life Skills Development Foundation organized implementation of the following activities:

- Support for implementation of community-generated malaria control projects in Tak and Mae Hong Son Provinces;
- Training of teachers followed by student analysis of feasible alternatives for community action against malaria based on situation assessments in 15 expansion sites;
- Pilot implementation of an integrated thematic curriculum unit on *Malaria* in grades 1-9 in 40 border area schools in Tak, Mae Hong Son, Chiang Mai, Chantaburi, and Trat Provinces;

Community-Based Malaria Control through Civic Partnerships along the Thai-Cambodia Border: Activities implemented by the Provincial Public Health Offices in Chantaburi and Trat Provinces included the following activities:

- Implementation of GIS for development of a community-based epidemiology information system for malaria control in Chantaburi Province;
- Development of a community-based epidemiology information system focusing on malaria control in Trat Province.

Coordination and Networking:

- BAAM organized a partners' meeting with participation by Dr. Lois Bradshaw from the USAID Regional Mission to review progress and facilitate exchange of information among key partners in the program;

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- BAAM Project management staff participated in WHO-sponsored focus groups organized by MOPH regarding improving coordination of health programs in border areas.

Major Activities Planned for the Next Quarter

Major activities planned for the next quarter from January through March 2004 include the following:

- A BAAM progress review meeting to update project management, USAID, and key partners on the status of implementation;
- Discussions with the Bureau of Vector-Borne Diseases, MOPH, and WHO to identify opportunities for collaboration on major special malaria projects in Thailand including the Global Fund malaria control, TB and HIV/AIDS components;
- *In vitro* sensitivity monitoring and *in vivo* therapeutic efficacy study of currently used front line anti-malarial drugs in 9 border provinces;
- Preparations for a community and provider drug use practices study in Chantaburi Province;
- Support for implementation of community-generated malaria control projects in Tak and Mae Hong Son Provinces;
- Training and implementation of community consultation workshops to identify feasible alternatives for community action against malaria based on situation assessments in 15 expansion sites under the Partnerships for a School-Based Approach to Community Action Against Malaria project;
- Evaluation of student learning, life skills development, and stakeholder perceptions of the subproject on Partnerships for a School-Based Approach to Community Action Against Malaria in 25 border area schools in Tak and Mae Hong Son Provinces;
- Support for community-based malaria control projects in Chantaburi and Trat Provinces;
- Implementation of GIS for malaria control in Chantaburi Province;
- Development of a community-based epidemiology information system focusing on malaria control in Trat Province;
- Continuation of research and development efforts on producing dipstick dye immunoassays utilizing dye particle-linked monoclonal antibodies developed against pLDH and pGAPDH for malaria antigen detection.



Thailand Competitiveness Initiative

REPORT ON MAJOR ACTIVITIES AND ACHIEVEMENTS

I. NOTE ON CLUSTER ENGAGEMENT LEVELS

Following a TCI meeting on Tuesday, 25 November, it was noted that the team members were having difficulty monitoring the current clusters on a regular weekly basis. At the same time, cluster engagement, including conferences and media interviews, continue to generate inquiries to make presentations and to assist industries, which are difficult to turn down.

The team decided to categorize cluster activities into a “low-level engagement” and a “high-level” of engagement. The former would only involve presentations, on diagnostics, for example, but would not require proactive engagement, for example, to arrange conferences, by the cluster coordinator. High-level engagement means going “all the way” to developing strategies and action plans.

Among the current clusters, the “high-level” category consists of (1) HVAP, (2) Multi-Media, and (3) Gems. Two relatively new clusters, (4) marine food and (5) Chiang Mai tourism will enter this category as engagement progresses.

The other clusters (6) silk, (7) Phuket tourism, (8) OTOP, and (9) Chiang Mai handicrafts are in the “low-level” category. The documentation to date on these clusters will be transformed into industry notes and/or cases for possible use in a curriculum being developed jointly by Dr. Andrew Warner and the CoPs of Thailand and Viet Nam.

One engagement with the Thai Textile and Garments Manufacturing Association (TGMA) was quietly dropped, after several meetings during which no agreement could be reached by the disparate members and firms making up the industry. Preliminary discussions have ALSO taken place with the southern area’s rubber and rubber wood and tourism industries and with the Chiang Mai orchid-planting industry, but there is no commitment to engagement with these sectors.

II. CLUSTER FORMATION AND DEVELOPMENT

Bangkok Multi Media Cluster: Gaming, Animation, Web Portals

The cluster coordinator held several meetings in preparation for Mark Frazier’s November trip. The team met with the academe (Sasin & Sillipakorn & Dhurakitbundit), the government (ICT Ministry and SIPA), and to the firms (Imagimax & SIGGRAPH members).



The participants have gone through the diagnostics, and the cluster has plans to address key issues. They are trying to build a directory in order to institutionalize their network. Four firms traveled to San Diego to the annual SIGGRAPH conference and joined the association. Many firms are concerned that the lack of qualified graduates may impede growth. However, the cluster can not agree on a “binding” strategy, although a brochure (developed by the previous cluster coordinator) describes a vision and goals for the cluster.

In December, TCI met with the newly-organized SIPA (Software Industry Promotion Agency), to prepare for the second multi-media fair—Thai Anima & Multi Media 2004, to be held from Jan. 8-11. The same staff member met with SIPA and the university to consider a joint project to develop a CD-Rom on the multi-media cluster. The first cluster coordinator was responsible for putting together the 2003 Thai Anima. The current cluster coordinator secured the assistance of SIPA to provide the logistics and infrastructure for seeking paying sponsors.

Western Provinces HVAP (High Value Agricultural Produce)

Discussions with the agricultural ministry led to a “road show” plan to train extension workers in “GAP” (Good Agricultural Practices) as a way to reinforce the learning in the current four western provinces and then to transmit it to other provinces.

Two TCI staff members attended two meetings on food safety, as part of the government’s interest in “rolling out” the approach of “GAP” (good agricultural practices) used by TCI in the three western provinces that make up the cluster.

The HVAP cluster is relatively successful. In August 2002, the cluster was concerned with a possible ban on their exports (of asparagus, okra, baby corn, etc.) because of food contamination and uncontrolled use of chemicals. So the focus was on strategies and action plans for increasing food safety and promoting the “GAP” concept (initiated by TCI). This focus led to a GAP PAI (policy action initiative), and so far it has been a success. The GAP-strategy started with 30 farm families, and now includes over 1,200 farm families in the three western provinces, TCI played a part in preventing the original government plan for 100% inspection (which would have disastrous effects on perishable products, and was not possible to implement).

TCI is assisting the government in its “roll-out” but hopes to “declare victory and move on”. TCI may not have received enough credit for its work, although there were the usual news reports, and the government continues to consult with TCI on this issue.

The cluster is now carrying on with meetings, even without TCI’s presence. The university continues to act a secretariat and venue for GAP, and funds the meetings, and the “GAP-MOU” was signed in April.

However, the focus on the GAP & PAI meant that the “corporate-cluster strategy” did not develop beyond the “idea-generating” stage; diagnostics focused on food safety issues.

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The updated and revised MoU for the HVAP GAP policy initiative was signed on Dec. 6. The MoU underscores the current success of the initiative and the “next stage” of developing the appropriate training programs for a future “roll-out” of the GAO model to other provinces.

Chantaburi Gems and Jewelry

TCI met with the faculty of Silpakorn University in Chantaburi to assess the potential for a tie-up on improving labor skills for workers in the cluster. Several other meetings took place this month, with the Gem Jewelry Research National Institute, and the Gemological (and Jewelry) Institute of Thailand (GIT) at Chulalongkorn University, the Thai Gem and Jewelry Association (in Bangkok), the Chantaburi Gem & Jewelry Association (CGJA), and the Precious Stones Factory Group (PSFG) in Chantaburi, whose membership (around 100 firms) represent the core of the cluster.

STTA from the gem and jewelry consultant who worked in Sri occurred from Nov. 26-Dec. 15. The cluster consultant for gems, Ms. Schempf, went to Chantaburi on Nov. 27 & 28, and met with the key players from PSFG and CGJA, and the largest online trader in Thailand.

At present, this shows substantial promise for long-term life, although the engagement did not start in earnest until around February 2003. Since then, leadership has coalesced under the Precious Stones Factory Group (PSFG), representing 100 companies in Chantaburi; regular meetings have taken place even without the presence of the cluster coordinator. As the July “industry note” indicates, work began on strategies even before the MOU was signed (in August) with the governor of the province. Unlike other clusters, PSFG pays for all conferences and meetings, except for those involving invitations to government officials, where PSFG and the gem association does not want to appear to be “lobbying” with the local government.

The cluster is also eager to take TCI’s advice and “run with it”. For the first time, the cluster (as opposed to individual firms) participated in the two 2003 Bangkok International Gem and Jewelry Fairs (which generate up to 60% of annual exports), and made an exploratory trip to the Shanghai gem and jewelry fair. Together with the gem consultant, the cluster is now exploring the possibility of “co-branding”, e.g., Chantaburi gems will play a role similar to the Intel chip in a PC, or the Rolls-Royce engines in the airplanes. The other strategy is to go “up-market”, from being the best gemstone processors and into jewelry.

In mid-December, TCI met with the Gem Institute and the Bangkok-based Gem & Jewelry Association to discuss linkages with the Chantaburi cluster.

There are two potential problems: one strategic and one administrative. The strategic problem is that the two strategies (and their action plans) may diverge, and the cluster



may split into two separate groups, because the two strategies will ultimately create a conflict. Will the cluster invest in co-branding or in jewelry? Going up-market involves competing with the firms in the Bangkok-based jewelry cluster, while co-branding requires alliances with them.

The administrative problem involves documentation, and it is a pervasive problem, affecting all clusters in varying degrees, so it will not be repeated in reporting from the other clusters. Everything is in Thai—the MOU, the meetings, etc. except when a cluster coordinator (or CoP) is present. Most of the participants may not even be high-school graduates (although the younger generation is more literate), and TCI has resorted to “documentation by photography”. And they have absolutely no interest in filling up feedback forms, even with TCI cajoling them at the meetings; they say that they are embarrassed to write in English.

Chiang Mai Tourism

The Chiang Mai tourist association, with over 90 persons in attendance, signed the MoU with TCI on Oct. 25, to initiate cooperation with the cluster. In November, David Flood made a presentation to members of the cluster as the first step to “energizing” the cluster.

With only two meetings, tourism represents the newest cluster under engagement, although initial contacts were made in November 2002 with specific firms (focusing on eco-tourism). However, the cluster coordinator is a JAA-hire based in Chiang Mai and appears enthusiastic about developing this cluster.

The prognosis appears positive: the leadership has been identified, preliminary diagnostics and action plans have been drawn up, and meetings take place regularly and frequently. One good sign is that the cluster is already sharing the costs of the engagement. The association paid for two major activities— 100% for the signing of the MoU and 50% for the seminar with JAA consultant David Flood.

Chiang Mai Handicrafts

JAA consultant David Flood made two presentations to the members of NOHMEX— the Northern Organization of Handicraft Exporter, one to the members of the general handicraft producers and exporters, the other to the members of the traditional garment handicrafts producers and exporters.

Two years ago, JAA consultants Orzu Matyakub and David Flood met with NOHMEX and decided to engage with them. Given JAA’s interest, and since Chiang Mai is the PM’s province, both KIASIA and TCI continued engaging with NOHMEX off and on over the last 12 months.

JAA consultant Jack Kelly has been working with the cluster for six months. However, after almost a year of engagement, the cluster demonstrates everything except for strategies. NOHMEX provides the venue and leadership, diagnostics have been run



(several times), and there is a faculty member of the local university who translates the diagnostics into Thai, and enthusiastically delivers presentations to NOHMEX.

At this stage, Mr. Kelly has decided to focus on developing the tourism cluster.

Songkla Marine Foods

David Flood went with TCI to Songkla to energize the cluster. He made several presentations. (Please refer to the section on Conferences.) There is now agreement to explore two products of the cluster—fresh and processed tuna and shrimp.

Engagement with the cluster only began in earnest in September. So far, the signs are encouraging—there is a leadership, the university is willing to host meetings and the local government and the industry association(s) are asking for continued engagement. There are several issues to address—moving up the value chain with innovative processed products (shrimp), dealing with inadequate labor supply (tuna), educating the small fishermen (on quality), linking with the other marine food areas in Songkla province.

TCI met with the Ministry of Industry, to discuss TCI's plans for regional development within the southern Thailand Songkla seafood cluster. In addition, a Songkla-based professor is currently a “fellow” of TCI-KIASia and he is undertaking research on seafood and establishing the network for the cluster engagement for 2004. His work plan is included in the annexes.

As the annexes indicate, there is already considerable documentation completed since September. The engagement with the Chiang Mai tourism cluster and this cluster-- so far, is moving along more rapidly than the engagements with the earlier clusters, suggesting a “learning curve” in cluster engagement is taking place.

December was devoted to planning for the formal “launch” of TCI's engagement with the cluster-- scheduled for Jan. 13. Keynote speakers from Bangkok and from the area will participate in a one-day seminar, which will include the signing of the MoU followed by a strategy session in the afternoon.

Korat Silk

TCI accompanied a consultant to meet with members of the cluster—the government sericulture extension service, a manufacturer of silk fabrics, and a faculty member of a local university who designed accessories to partly-mechanize weaving operations.

In November, two consultants, David Flood and Nick Hahn, worked on the silk cluster. David Flood gave presentations. Nick Hahn was one of the founders of Cotton Inc., and he also worked in Sri Lanka to set up the appropriate structure for the coir industry. His main task was to review the current (fragmented) structure of the silk industry and to



determine the extent to which his work on the organization and structure of Cotton Inc. and the Sri Lanka coir industry might be applied to the silk industry of Thailand.

TCI sees only a limited intervention in silk. One deliverable will be a write-up to be presented to the appropriate government authorities and influential private sector participants in the industry, which will incorporate Mr. Hahn's ideas. However, TCI does not intend to become involved in the implementation since the government will be the major driving force. There was a trip to Korat, to discuss the possibility of mechanizing hand-loomers as part of a productivity-enhancement program for the silk industry. TCI met with Bangkok Bank, to introduce TCI methodology to the bank staff who might be interested in applying the methodology (for the silk industry in particular).

TCI does not intend to develop full-blown strategies for the industry. However, there is a potential action plan that will be explored in the next few months. One of the faculty members in the local university is developing a modified semi-mechanized loom that will improve productivity, reduce worker fatigue (and improve health), and may lead to increased incomes per work (who are paid on a per piece/meter basis). If the "technology" proves viable, it may be the basis for a possible WAI (work force action initiative).

Udon Thani OTOP

OTOP stands for "One Tambon, One Product" where a "tambon" is a term for one or more villages that make up a traditional community. OTOP is a policy of the current Prime Minister who gave 1 million baht to each "tambon" for these communities to develop their traditional products for commercial sale.

KIASIA received financial support (before the project started in August 2002) and its Business Advisory Center (BAC) was providing business consulting and technical assistance to two-three OTOP products in Udon Thani province. TCI work came from two staff members of BAC who were since assigned to TCI once the project started. TCI ran diagnostics and explained the cluster concept, but the main thrust of BAC in OTOP was on assistance at the firm-level for the ceramics, dyed garments, and furniture products of OTOP.

The TCI Senior Manager made several trips to Udon Thani, to assess the impact of training (on competitiveness and business planning) on the selected "OTOP" community-villages. He and another TCI consultant evaluated the progress of the OTOP project in Udon Thani as part of the "winding down" of the project. A write-up will be developed on "lessons learned" from this experience of a "small-scale, pre-cluster" type of engagement

Phuket Tourism

The engagement started well, with initial meetings in 2002 and a major cluster conference in February. There were long term issues that required strategies—how to

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arrest and then improve the environmental degradation of Pattong Beach, and how to increase the proportion of US tourists to Phuket (less than 10% of total arrivals), and how to increase dollars per day per tourist for the local community enterprises.

Unfortunately, two events undermined progress. When SARS occurred, the firms in the cluster stopped thinking about value-added differentiation, and went back to cut-throat price-cutting, layoffs, and appeals for subsidies (which the government responded to). Second, the most active member of the cluster was/is the mayor of Phuket City. He was willing to fund meetings and hire a cluster coordinator. However, his main interest, logically enough, was in promoting Phuket as a “health and wellness” cluster, in part because his family owned or controlled a hospital, hotel, golf course, travel agency, etc.

TCI maintains infrequent telephone communications with members of the now-moribund cluster, and one or two visits were made to Phuket (and to the mayor) since February. However, the difficulty lies in deciding whether to “get in bed” with the mayor or to expend time and money “rebuilding” the cluster (of which the mayor will still be a part). In a sense, the decision to maintain a low level of engagement is budget-driven. Except for multi-media, all the clusters are located outside of Bangkok and the costs of engaging with these out-of-town clusters add up over time.

There is nevertheless considerable documentation on Phuket tourism as a whole, including a competitiveness study by SASIN and Michael Porter’s Thai-based consultants. A case study was already completed on Phuket tourism, and a more extended note will be developed to create closure on the engagement with the industry.

Textile & Garments

As noted in earlier monthly reports, the Thai TGMA approached TCI (after viewing the TCI web-site) to ask for assistance in developing a strategy for coping with the lifting of quotas in January 2005. Two TCI staff undertook a series of diagnostics. However, TGMA is too large (more than 2000 members) and fragmented (between large, medium and small manufacturers) and too diverse (too many product segments in textile and garments). There were too many conflicting agenda(s), and the leadership therefore could not agree on any “menu” of strategic options that TCI suggested. After a while, TCIU stopped pushing for meetings, and TGMA stopped calling TCI. The “disengagement” was mutual with no hard feelings.

III. OTHER ACTIVITIES

Training

TCI staff attended three training programs, on food safety, multi-media development, and youth development. In November, David Flood conducted a training session with TCI and KIA’s BAC unit on competitiveness. He emphasized the need to develop strategies based on investment and innovation. He indicated that strategy formulation was the first priority and cluster formation was the second priority that would follow after strategy.

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According to him, “Form follows function.” His presentation generated substantial one-on-one discussions with TCI.

Three consultants (Murphy, Nydam, & Schempf) ran training sessions for the TCI staff and other participants from KIA Asia and IFCT. In addition, TCI coordinators for the gem and multi-media clusters attended one-day conferences run by the respective associations on the international market for gems and on the future of ICT in Thailand.

Conferences

On October 6, TCI held a conference on cluster evaluation, with presentations by Mr. Martin Webber, JAA VP, and the CoP. In November, David Flood made presentations to the following clusters/audiences/associations:

- In Chiang Mai (3 formal conferences):
 - General handicrafts (60 participants)
 - Garments and textile handicrafts (30 participants)
 - Tourism (25 participants)
- In Songkla (2 formal conferences for the tuna and shrimp industries)
 - Researchers & professors of PSU--Prince of Songkla University (10 participants)
 - Marine Foods (tuna and shrimp) producers (27 participants)
 - One medium-size processed shrimp exporter (8 participants).
- In Korat (two trips for the silk industry)
 - Government agency undertaking silk (cocoon) R & D
 - College of Engineering (developing mechanized looms)
 - Traditional (yellow) silk exporters

Mark Frazier made a presentation at a seminar for the Multi-Media/ICT cluster (47 participants). On the day after the conference, Mr. Frazier’s presentation was e-mailed to all the participants with an invitation to send in their comments on “next steps”. No response was received to date.

Andrew Warner made a presentation to a mixed audience on Thailand’s competitiveness (80 participants). After the conference, the former Dean of Economics of Chulalongkorn University spoke with Dr. Warner and offered to put together a discussion group of academics/economists from Chula and other universities and think-tanks to further discuss the implications of his paper.

The TCI Director engaged with the orchid cluster, as part of the on-going relationship with NESDB, and attended a meeting on SME development.



The presentations are posted on the TCI web-site; their reports are available as annexes, and as “success stories”. Photos and evaluation sheets are available.

Mindset/“Networking”

With Private Corporate Sector In October, the TCI senior manager gave a presentation at a seminar organized by Bangkok Bank PCL with an objective of promoting a cluster for orchid-growers in the western region. TCI shared its experiences in the HVAP cluster with the participants. The TCI senior manager was subsequently invited to speak at another cluster workshop, this time for the bank clients (Mr. Kosit, the CEO, is also a member of the KIASia Board of Trustees).

With the Academe

As of November, visits were made to the universities engaged with TCI in cluster work—Kasetsart for the HVAP, Chiang Mai University for the NOHMEX and tourism clusters, Prince of Songkla University for the seafood cluster. Aside from acting as secretariats and “neutral” venues for meetings, these three universities are interested in developing both “short” executive programs and regular degree courses on competitiveness.

Visits were also made to Sasin in Chulalongkorn University and to Sillipakorn University for linking with the multi-media cluster, which is suffering from a lack of qualified animation and computer science graduates.

As indicated in an earlier monthly report, AIT (Asian Institute of Technology) was willing to teach a 12-session (3-hour per session) course on competitiveness assuming that sufficient materials could be made available. At the time, such a course was not possible. However, it may now be possible to attain that objective in 2004, now that Andrew Warner has designed a course which is being tested in Viet Nam, and now that teaching materials can be developed from the studies of clusters in Thailand, Viet Nam, and even Cambodia. Once the materials for a 36-hour course can be developed, it can easily be “chopped” into smaller (2-3 day) executive programs on competitiveness.

With the Media

The media was invited to the conference of Andrew Warner on Thailand’s competitiveness. Around 10 persons (out of 80 participants) attended and there were two interviews, with Radio Thailand and with the Bangkok Post.

The quarterly report (in June) described the conference with the Economic Reporters Association. Another conference is planned for 2004, possibly in conjunction with the annual KIASia conference. That will meet the deliverable for “media mindset”. However, it is becoming more and more difficult to get competitiveness into the news, for several reasons. The main reason may be that the economy in 2003 is growing and so the government is no longer pushing competitiveness with the same intensity in 2002 and through July 2003. Instead, the government is pushing popular policies such as poverty alleviation, crime reductions, and these issues making the news these days. The other



long term reason is that there are now very many “voices” (think tanks and industry associations) espousing competitiveness, many with different definitions of competitiveness and clustering. The large conglomerates use the word “competitiveness” as a rationale to achieve market dominance (a la Microsoft).

With the NESDB

The “#3” Director from NESDB attended the conference of Andrew Warner. He was a panelist in the conference and commented on both the content of Dr. Warner and the current role of NESDB.

When the project really got started in November 2002, there was considerable expectation that NESDB would be entry point into the “corridors of power”. The Prime Minister was using NESDB as the umbrella for the government’s promotion of competitiveness (the “5-Dreams” for Thailand to be one of the fashion centers of Asia, the kitchen of the world, the Detroit of Asia, in the Top Ten tourist destination worldwide, and a regional IT-Design center). In his visits to Thailand, Kevin Murphy had suggested that TCI & KIA Asia put together a project proposal to seek funds from NESDB.

Relationships with NESDB went well in the first few months of 2003. The main contact of KIA Asia (& TCI) with NESDB was promoted to the “#2” position. Howard Rosen was invited to discuss the application of a competitiveness council at a private (25+ persons) conference with the Prime Minister in Chiang Mai, and he engaged with the PM in a Q & A session (captured on video tape).

However, over the past several months of 2003, the Prime Minister dropped the Porter/Rosen/Sasin suggestion of an independent competitiveness council. Subsequently, according to the English-language newspapers, in November, NESDB was “transformed” from a planning agency (that carried with it some “power of the purse”) into a “think tank”. The “new” NESDB will still focus on competitiveness. TCI continues occasional discussions with NESDB. However, it also seems clear that the current policy thinking emanates from the Prime Minister and NESDB has not yet redefined its role.



IV. NEXT STEPS: SUMMARY OF CLUSTER PLANS

The descriptions below are based on discussions as of 15 December 2003.

Bangkok Multi-Media

The overall strategy for the Bangkok Multi-Media and Computer Graphics Group (BMMCG) is to develop, apply, and expand Thailand's indigenous capability in creatively interpreting and integrating visual images products (as evidenced in furniture and food for example) into harmonious and attractive multi-media and graphics products.

There are currently three action plans for implementation in 2004:

- Developing the human resources for this cluster, by linking with universities to fit the cluster's needs with the students' curricula and by developing apprenticeship programs. At present, Thais make up only half of the workforce in the industry.
- Strengthening the private-public sector linkages, specifically with SIPA and the Software Park, and with the ICT Ministry in general. TCI will explore possible policy initiatives that will further enable the cluster's strategies.
- Setting up a pilot "E-Bay Auction" to increase market opportunities for the cluster. This project will include building a reliable directory of participating firms. Mark Frazier, the consultant who was well received during his brief trip to Bangkok in November, will be "recalled" to develop the specifics.

Western Provinces HVAP

The overall strategy is to sustain and enhance the capability of the producers in the Western Provinces as a provider of high-value, high-quality fresh and processed vegetables for both the export and local markets. The specific strategy is to focus on developing and improving "Good Agricultural Practices" (GAP) as a means of improving productivity-- for example by reducing reject rates and lower-grade (and therefore lower-priced) produce.

2003 was devoted to GAP for the export market. 2004 will focus on the local market, with the following initiatives:

- Using TQM to increase the supply of "Grade-A" farm output.
- Improving TTM as part of SCM in order to expand the cluster's presence in the JJ Central Bangkok market.
- Undertaking a "generic" consumer education program on the benefits to the local market of the Western Provinces' GAP-produce.

Accomplishing the above action plans may require a local market study and a consultant on farm-productivity improvement.

Chantaburi Gems & Jewelry

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TCI's engagement with the Chantaburi cluster focuses on a brand strategy, as outlined by the consultant Sibylle Schempf. Action plans are covered in her report.

There are a number of immediate tasks for 2004.

- One or more meetings with the relevant participants are necessary to explain the details of the Schempf report, and to elicit commitment on at least some of the recommendations.
- TCI will assist the cluster participants for the first 2004 Bangkok International Gem & Jewelry Fair to improve their layout and products. Comparing the results of the cluster's participation in the 2003 & 2004 fairs will be a "value-added" deliverable.

Chiang Mai Tourism

The basic approach is to identify and enhance elements of the "Chiang Mai experience" that can be developed into a suitably differentiated tourist destination (for both foreign and local tourists) that distinguishes Chiang Mai from other tourist sites in both Thailand and Asia. One possible approach is to market Chiang Mai as the center of the "Lanna Culture" that extends from Chiang Mai to Laos and Cambodia, while emphasizing the "Chiang Mai charm"-- the northern hospitality and friendliness that is even greater than the general image of Thailand as a whole.

Given that overall approach, specific action plans are needed: (1) to increase the average daily expenditure per tourist, (2) to provide for off-season tourism, (3) to target new and emerging market segments (in Chiang Mai) such as MICE, eco-tourism, spa and golf, health and wellness, etc. One other important long-term goal is to develop better customer service quality and related customer resource management.

The Dec. 15 report presents initial action plans, such as upgrading tourist attractions, supporting certification and standardization programs, targeting markets for the MICE, etc. These plans must be fleshed out in detail with the cluster participants and worked into the weekly schedule.

Korat Silk

The industry is still in a somewhat fragmented state. Time constraints will not permit the development of a viable cluster. Therefore TCI's engagement in 2004 consists of two specific and intermediate activities:

- TCI will prepare a paper on a possible structure for a "Silk Inc." based on the model of the United States "Cotton Inc." following a consulting trip by Nick Hahn, one of the founder's of Cotton Inc., who also used his model for the Sri Lanka Coir cluster. The paper will be presented to the relevant government and private sector entities and should provide a crude "template" on how the silk industry might be organized.
- TCI will assist a professor of engineering in Korat who is attempting to partially mechanize the hand-powered looms used in weaving the silk. TCI will assist in the



development of the prototype and in exploring the feasibility of commercializing the product. If successful, the "semi-mechanized" loom should raise productivity (output per man-hour) and worker incomes, as well as reduce physical strain.

Songkla Marine Foods

Several initial discussions with consultants and with the participants have taken place in the last quarter of 2003. Preliminary diagnostics were completed, but more in-depth work on diagnostics, strategies and action plans, will begin after the Jan. 13 conference.

V. CAMBODIA

Conference on a Regional Plan for the “Northwestern” provinces of Cambodia

On October 10, in Battambang, JAA and SME Cambodia held a one-day conference on a regional plan for the northwestern provinces of Cambodia. There were over 100 participants, many of whom had to devote three days from their work in order to attend the conference. The participants came from parts of the four major provinces of Cambodia—Battambang, Bantaey Mean Chay, Siem Reap and Pursat.

The participants came from the four industry associations—rice milling (and rice noodle making), brick and tile manufacturing, small power generation, and fishery. These four industry associations met together in an earlier conference on March 26-29, as described in the report for that month. At that meeting, JAA, through the Thai and Viet Nam CoPs, and a TCI staff member presented the competitiveness methodology to the industry associations. The latter in turn worked on industry-level problems, issues and interventions.

The October 10 meeting represented both a follow-up of the March meeting, and a first attempt to get the industry associations to think beyond the problems facing the industry and to address the issues at a regional level.

Members from the US Embassy and Asia Foundation also attended the conference as observers. Six to eight staff members of SME Cambodia acted as translators and facilitated the workshops. Martin Webber, JAA VP, and the CoP made presentations on competitiveness and development in the context of regional planning. (The presentations of Webber and Roman are included in the annexes.)

The agenda included the presentations, group discussions on common issues facing the region, followed by a plenary session to present the results of the workgroup discussions, an organizational structure, and the tentative next steps. (The discussions took place in Khmer and are undergoing translation.)

The conference resulted in a “matrix organization” consisting of the four industry associations grouped according to geographic location among the four provinces. The



membership of these four groups agreed (separately) to meet to discuss region-wide issues.

The four industry/provincial groups in turn constituted a “Northwestern Private Sector Working Group” made up of two persons from each group. This group will agree on a timetable to set up the next round of meetings, first at the province-level, leading up to another multi-province conference.

Conference with the Fishery Cluster

On October 13, the CoP and the JAA VP, together with five members of SME Cambodia, met with 20 participants from the fishery cluster, made up of traders, wholesaler-exporters, and processors.

The meeting follows an August, SME Cambodia sponsored a trip to Thailand of the cluster, which included exporters, processors, and representatives from the fishery department; the CoP and a staff member of TCI made a presentation on potential cluster activities. Previous meetings in Siem Reap in September took place with the CoP and fishermen, ice plant operators, and traders.

The October 13 conference ran from 9-2PM (including lunch). The agenda consisted of brief presentations by the JAA VP and the CoP, and the main activity was a group discussion to address priorities and the action plans to address them.

The issues discussed included the desire to form an association, the need to improve processing and fish farming technology, and to find more customers. The cluster also wants to reduce problems of fish trading on both sides of the Thai-Cambodia border, and to find ways to increase resources (specifically capital).

The conference closed with a discussion on how to sustain the momentum given the onset of the fishing season when most members of the cluster would be inaccessible. The most likely solution might be to meet the cluster members individually or in small groups of 3-5 persons for the next month.

In December, JAA President Kevin Murphy and Mark Nydam went to Cambodia and the former developed a paper on engaging with the Cambodia fishery cluster, and JAA’s partner, SME Cambodia, assigned one of its staff members to undertake the work on the cluster. He submitted his first report at year-end.

Conference on Private Sector Led Competitiveness Initiatives

At the invitation of the Mission Director, USAID Cambodia set up a conference on private-sector led competitiveness initiatives on Friday afternoon, Oct. 10, at Phnom Penh. There were approximately a dozen participants, primarily program officers and technical officers, and field personnel.

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The main part of the presentation consisted of the JAA competitiveness methodology made by the JAA VP, followed by a brief presentation on the project's activities in Cambodia.

The ensuing Q & A included suggestions on how to create opportunities for further discussions on the topic and to find venues for future meetings, in order to explore various means to work together.

Case Writing Workshop with National Institute of Management and SME Cambodia

The CoP ran a program to teach the advisor, marketing professor, and four students of NIM as well as six members of SME Cambodia on how to develop teaching cases on competitiveness with a focus on marketing in the tourism cluster. The marketing professor agreed to supervise the four students who will develop drafts in Khmer on two cases-- a hotel and a tour operator. The drafts will be translated into English which the NIM advisor will edit. The CoP will review the edited drafts, and make comments for further improvements. The process will continue for two or more drafts until the cases are ready for use. However, the critical first step lies with the marketing professor who is supervising the four students.

NIM began work on the case writing on tourism, after attending the case-writing seminar in October. This activity carries no substantial cost for the project, other than time to review the drafts. On the other hand, the progress will depend primarily on the initiative of NIM. The first draft was submitted in mid-December.

Training on Competitiveness Methodology

On Oct. 23 & 24, seven members of SME Cambodia traveled to Bangkok to undertake an intensive, two-day training program on the JAA competitiveness methodology with a focus on the diagnostics.

Among the SME Cambodia staff attending the training program, two members of SME Cambodia are currently working on the fishery cluster, and they were the “primary targets” of the training program. Furthermore, one of the pair is an American, and more adept with English than the Cambodian staff. He played an important role as the “teaching assistant” to the CoP by receiving questions and passing them on the CoP and by reviewing the day's contents as part of the “homework”.

The two-day program followed the same content provided to the TCI staff, and included the following basic tools: definition of competitiveness and clustering, SWOT, cluster mapping, industry analysis, differentiation, positioning, the value chain, the diamond, and benchmarking.



The program was designed with the knowledge that the lack of data and the “pre-cluster” state of many industries in Cambodia. However, the expectation is that the fishery cluster can utilize some of the simpler tools. There is still a need to “institutionalize” at some point and in some fashion the competitiveness methodology within SME Cambodia. Given the busy schedule of Tony Knowles and the top managers of SME Cambodia, the “second-tier” managers may be the best opportunity to achieve some degree of transfer of the competitiveness methodology.

VI. VIET NAM

Dr. Vo Mai of the fruit cluster representing the VinaFruit Association extended an invitation to deliver a presentation on “Cluster Coordination in Agribusiness” (attached) to the International Agricultural Exhibition in Can Tho City, reputed to be the biggest and most important annual exhibition of agriculture in the South of Vietnam. The Vietnam Fruit Association (Vinafruit) under Dr. Mai together with the Southern Fruit Research Institute (Sofri) and the Vietnam Gardening Association (Vacvina) organized a seminar with the topic “Solutions for the Outputs of Vietnamese Fruits” of which cluster coordination represented one approach. Other speakers raised issues on post-harvest handling and developing specific fruits for export.

Over 100 persons attended the conference, and immediately after the presentation, there were two interviews (with Dr. Mai translating) for a newspaper and television station. Aside from the content of the presentation, the presentation and the interviews provided the opportunity to discuss the USAID competitiveness project and VNCI’s role in cluster formation.

On the other hand, since Vinafruit was only a small part of the larger audience, there was little opportunity to interact with the association’s members (other than one or two officers). And there were no members from the Binh Thuan dragon-fruit producers at the conference.

After the conference, there was some attempt to create closure of the VNCI engagement with Vinafruit. However, this attempt was only partly successful because Dr. Mai discussed plans extending up to 2005, in the case of the dragon-fruit industry, that included a major exhibition to showcase Binh Thuan province as the “heart” of the dragon-fruit industry. The only possible response to this enthusiasm was to encourage Dr. Mai in her efforts while indicating that future engagement was unlikely given the lack of funding in the future.

In addition, the suggestion was made in both the presentation and the subsequent discussion with Dr. Mai that some form of linkage or alliance might be possible between the Thai and Viet Nam dragon-fruit producers, since the former have better bargaining power with the importers, but Thailand has several large scale fruit exports other than dragon-fruit, so Viet Nam might not be regarded as a threat to Thai fruit exports. On the other hand, the combined export volume of Thailand and Viet Nam, assuming it was



gradual enough not to depress prices, should improve the incomes of producers from both countries.

To conclude, Dr. Mai is the driving force in the association, which is made up of different fruit producers. Success for this industry is thus dependent on her ability to focus her energy and limited resources on dragon fruit. The industry is made up of a few large producers that meet the requirements of the export markets, followed by many small-scale producers, who mainly cater to the local market because of uneven quality and delivery capabilities. The latter group represents one reason for continued engagement with the industry, since improving the productivity of the small producers represents more of a development focus, rather than a purely commercial approach.



TCI Activity Details: **CHIANG MAI TOURISM**

Although Thailand is arguably a top international tourist destination, Chiang Mai is still the “third stop” after the capital city, Bangkok, and the resort island, Phuket. In October, TCI signed a Memorandum of Understanding to engage with the tourism cluster in Chiang Mai. In November, JAA consultant and “master cluster musterer” David Flood ran a workshop with the association. Over the last quarter, TCI and its Chiang Mai based JAA consultant Jack Kelly initiated the process of formulating the overall objectives and action plans.

With respect to the overall objectives, TCI and the cluster together decided to increase the average daily expenditure of both local and foreign tourists, by developing the “Chiang Mai Charm” as the differentiation of Chiang Mai from the rest of Thailand, while targeting emerging market segments such as middle-income MICE, “holistic” health, spa and golf tourism. Another key objective addresses a basic industry problem—how to develop off-season tourist packages. The advantage of Chiang Mai is that its visitors are divided almost equally among foreign and local tourists.

Some of the specific plans include upgrading tourist attractions such as the Elephant Camp, the Butterfly Farm, and specially the Night Bazaar. The effort to improve Chiang Mai also involves mundane activities such as improving the English language signage and establishing a “zero-tolerance” for tourist toilet facilities. At the same time, medium term plans require certification and standardization programs for hotels, transport prices, and tour and trek guides. The longer term strategies target a potential strength and weakness. The former is the unique Lan Na culture that extends from Chiang Mai through northeast Thailand and into Cambodia; the “Lan Na Trail” may be developed into a multi-country, multi-destination package. Chiang Mai itself has several distinctive festivals. The weakness is the relatively low level of English ability among the service providers despite early foreign language education that can only detract from the word-class tourist status that Thailand aspires to.

The cluster process is moving quickly in just three months. There is an identified leadership. The cluster includes different types of firms such as hotels, tour agencies, car rental companies, eco-tour operators, restaurants, etc. In terms of supporting activities, TCI is developing local networks-- with the media, the local tourism office, and the chambers of commerce. Discussions are going on with the British Council to revive English language training appropriate to the tourism industry in Chiang Mai. The cluster is already cost-sharing activities with TCI in the first two major conferences in the quarter.

Despite the rapid progress in the preceding quarter, much work still needs to be done to sustain the initial enthusiasm and to implement the action plans. Furthermore, there is little information on consumer behavior, despite the cluster’s experience meeting the needs of part of the almost 3.5 million local and foreign visitors to Chiang Mai. For



example, there is a “gut feel” that eco-tours are under-priced. On the other hand, there is a general lack of understanding that dirty toilets will detract from the foreign tourists’ visit to a wat or other cultural site. More research is needed to determine what will make a foreign visitor (or a local one, for that matter) stay another day or spend another dollar (or baht) in Chiang Mai. The first effort to develop value chains according to different types of tourists is being planned for January.



TCI Activity Details:
A Seminar on “New Paths into Global Markets” by Mr.Mark Frazier
By Dr. Napaporn Girapunthong 18 November 2003

On November 12, 2003, the Thailand Competitiveness Initiative (TCI), in partnership with KIASIA and James Austin Associates, and sponsored by USAID, organized a half-day public seminar on “New Paths into Global Markets” for the Multi-Media Cluster. Mr.Mark Frazier, a consultant of J.E. Austin Associates delivered the main presentation. Mr. Frazier is currently the chairman of Development Informatics, Inc. (Arlington, VA) a joint venture of Openworld Inc. He is a specialist in national ICT strategy, tele-work incubators, technology parks, and e-learning innovations for development institutions. He was also active in investment policy reform and export sector-related consultancies in 40+ countries and he developed considerable experience on exploiting opportunities to reform export-sector policies and programs, on the operational support for public sector investment and export promotion organizations, and on analyzing the markets of information technology for trends in outsourcing.

The seminar explored current market trends to identify opportunities for leading Thai companies and institutions to seize in fast growth markets, and to propose initiatives to attract suitable partners and investors. There were over 60 participants from the multi-media and information technology sectors, as well as university academicians, and representatives from the relevant government agencies, such as the ICT Ministry and the Software Park. Responses came from a distinguished panel of discussants consisting of Dr.Manoo Ordeedolchost, President of SIPA, the newly created Software Industry Promotion Agency, which aims to boost the development of architecture, software among SMEs, multi-media and animation, and embedded systems, Mr.Saksiri Koshphasharin, from Bangkok SIGGRAPH, representing the international association of professionals and interactive computer researchers, and Mr.Chanitr Charnchainarong, a Vice President of Vnet Capital, a financing firm specializing in the ICT sector.

Mr. Frazier suggested several opportunities that the Thai Multimedia Cluster could seize. For example, Thailand could become a hub of opportunities for aspiring talent (e.g., to create e-learning resources for multimedia talent, to offer certification and prizes). Or, it could build technical and operational excellence in strategic areas (e.g., event capture by converting seminars and workshops into e-learning format).

After the seminar, a participant from Siam2U Company, (Thailand) asked whether Mr. Frazier’s suggestions represented a general model that every country with low labor cost could apply or whether it could fit Thailand in particular. Mr. Frazier noted that the idea is generally applicable, but the opportunity for Thailand is to be a “first mover” in its implementation, given the existing talent, infrastructure and public interest, and thus “set the rules” for this key segment of the ICT sector. If successful, Thailand could be at the forefront of the next wave of multimedia opportunities. He suggested several “quick start” pilot projects to enhance the business climate via benchmarking study of comparative incentives/business conditions for multimedia growth, by creating



partnerships for technical excellence, and advancing workforce skills and experience, via scholarships, prizes, and an online clearing house of project opportunities.

The comments from the participants were generally favorable and several inquired as to his future availability. The presentation of Mr. Frazier was sent via e-mail to all the participants in order to elicit further suggestions on the next steps for the multimedia industry.



TCI Activity Details:
A Seminar on “Engines of Growth for Thailand’s Competitiveness”
By Dr.Napaporn Girapunthong, TCI Cluster Coordinator, November 25, 2003

On November 18, 2003, TCI and KIAAsia, under the sponsorship of USAID organized a seminar entitled “Engines of Growth for Thailand’s Competitiveness” given by Dr.Andrew Warner, a consultant for J.E.Austin Associates and an Associate with the National Bureau of Economic Research, and the Center for Global Development, Washington DC. He previously worked as a consultant and professor in Russia, and as an economist with the World Bank and with the U.S. Federal Reserve Bank Dr. Warner was connected with Global Competitiveness Report since its early years.

The seminar brought together over 80 participants from the academe, the private sector, and various government agencies and analyzed Thailand’s global competitiveness rating and the rationale behind its position. The panelists who joined the discussion of Dr. Warner in the seminar consisted of Dr.Arkhom Termpittayapaisith, Senior Advisor of the National Economic and Social Development Board, and Dr.Sathit Parnianthong, a lecturer from Sasin Graduate Institute of Business Administration of Chulalongkorn University, who brought in Michael Porter and his team for a competitiveness study. In addition, Dr.Twatchai Yongkittikul, Secretary General of the Thai Bankers’ Association and Dr.Jiraphan Skuna, Policy and Strategy Section, Small and Medium Enterprise Development Bank of Thailand, provided their perspectives on Thailand’s development. In preparation, Dr. Warner visited Thailand several times in the last twelve months in order to analyze the factors influencing Thailand’s competitiveness.

Dr. Warner mentioned that, at the start of the post-World War II development, total factor productivity growth was not a major source of growth in Thailand before 1985. After 1985 it appears to have contributed approximately 2 percentage points to growth during the boom years, perhaps linked to the migration of labor from agriculture to other sectors. In recent years, TFP growth has contributed a little over 2.5 percentage points to growth, but this calculation is sensitive to the use of preliminary data on employment growth. Dr. Warner indicated that Thailand must address two key issues—sustaining the export drive while simultaneously shifting to growth through the development of technology and innovation.

Thailand’s competitiveness ranking was up from 37th in 2002 to 32nd in 2003. However, Dr. Warner noted that unless Thailand changed its policies, it appeared to be on a “moderate” growth path for the future, as opposed to a country such as Singapore, which is on a high-competitiveness growth path. He also mentioned that Thailand remained weak in certain areas such as investment, research, and technology.

In the subsequent discussion, Mr.Twatchai Yongkittikul, secretary general of the Thai Bankers’ Association, suggested that future growth would depend on how quickly the government could press forward with educational reform. Mr.Sthit Parnianthong, a

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lecturer at the Sasin Graduate Institute of Business Administration of Chulalongkorn University mentioned that the government should continue offering financial support to companies and support the development of geographic production clusters while entrepreneurs must develop strategies themselves within each cluster. Finally, Dr.Jirapan Skuna, a director for Business Management Department at the SME Bank, recommended that small firms should link up with foreign firms to gain access to capital and technical know-how.



TCI Activity Details:
Providing a Structure for the Silk Industry

The Thai silk industry is best known through “branded” firms such as Jim Thompson and Shinawatra. The industry itself is one of the royal projects and local and international fashion shows have promoted Thai silk products. The strategy of bringing “Thai silk to the world of international fashion” is already under way. However, the industry itself is fragmented. Aside from the few well-known branded firms and several large exporters, the industry itself largely consists of community-based small and medium scale mulberry growers and hand loom weavers. This industry structure perhaps accounts for much of the charm of Thai silk, but it inhibits the transformation of the industry from a seasonal, community-based production system to a “quasi-commercial” operation that can consistently deliver quality to the export markets of the world.

TCI recently brought in Nick Hahn, one of the founders of “Cotton Incorporated” (CI), an organization devoted to the growth and development of the American cotton industry. The objective was to determine the extent to which the CI “model” might be a suitable organizational structure applicable to the Thai silk industry. Mr. Hahn spent a week meeting with silk worm cultivators, yarn spinners, fabric weavers, exporters, extension service personnel, university research facilities, retail stores, as well as government representatives from the relevant agricultural and sericultural departments.

CI is geared to do research, develop new products, promote US cotton in the global market; and it works unceasingly to enhance fiber quality. According to Mr. Hahn, CI “managed to organize a highly fragmented and contentious industry...that has established US cotton as the premier volume textile fiber in the world.” In his view, there are substantial similarities between the Thai silk industry and the US cotton industry. The brief program did not allow Mr. Hahn the opportunity to meet more of the participants in the industry. However, he suggested that the necessary first step is to identify or build a larger “pool” of private sector industry leadership at the grass roots level. Given the fragmented state of the industry, a considerable amount of “evangelization” is needed, a situation that Mr. Hahn experienced in his experiences in the early years of CI with American cotton farmers.

Mr. Hahn worked in Sri Lanka on setting a similar “model” for the coir industry. He is therefore familiar with the linkages that exist in many Asian countries between the private and public sectors. He is inclined towards a private, non-profit set up, but he notes government oversight without operating authority and responsibility is a suitable compromise, using the example of New Zealand Wool.

Mr. Hahn completed a report summarizing his observations and relevant sections of the CI structure, charter and by laws, and core activities, together with a summary of his work with Sri Lanka. TCI will submit the report to the private sector participants who met with Mr. Hahn during his consulting trip and to the appropriate government ministry.



At minimum, the CI organizational structure provides a “backbone” for the “supply-side” of the Thai industry to enhance the “demand-side” efforts to develop the global markets for Thai silk products. The task of applying the model of course rests with the participants in the Thai silk industry. At best, a robust organizational structure will support sound growth strategies for the industry as it meets competition from other silk-producing countries.



TCI Activity Details:
**A BRANDING STRATEGY FOR CHANTABURI'S GEM & JEWELRY
INDUSTRY**

Chantaburi is Thailand's center for processing colored stones. Since many of Thailand's mines are depleted, and given the continued growth of gems and jewelry globally, Chantaburi now receives rough gems from all over the world, but primarily from Asian countries such as Sri Lanka, Madagascar, and Myanmar. Tanzania and Australia are other sources for quality colored stones. These and other countries in turn are also developing their own processing capability, so Chantaburi faces strong challenges now and in the future. Two other trends on the demand-side are influencing Chantaburi's position as a leading gem processor. On the one hand, the high-cost of setting gems into jewels in developed countries and the improved quality of Thai jewelry manufacturers, makes Chantaburi's gems more of an "intermediate" product and not purchased in and of itself. On the other hand, jewelry, especially for colored stones, is now more of a fashion item, and subject to shorter product cycles and more frequent design changes.

In recognition of the problems facing Chantaburi, TCI brought in Ms. Sybille Schempf, a specialist in gem and jewelry brand and marketing consulting. Ms. Schempf had previously worked on a JAA competitiveness project in Sri Lanka, where she assisted the gem and jewelry cluster to develop the "Ceylonese Royal Blue Sapphire". At the same time, Chantaburi was interested in moving up the value chain. In 2003, TCI assisted the cluster in its participation, for the first time, in Bangkok's international gem and jewelry fair, and in exploring the Shanghai gem and jewelry trade fair.

Ms. Schempf held several meetings with the gem-processing firms in Chantaburi as well as with the Bangkok-based jewelry manufacturing companies. Her first recommendation was for the cluster to develop the Chantaburi "brand name", as a mark of quality and consistent standards, in much the same that "Intel" is a recognized name in every PC. The Chantaburi brand would not compete with the Bangkok jewelry cluster. At the same time, the Chantaburi name was recognized among the major export buyers of gems. However, the more important purpose of branding was to establish quality standards and reduce some of the concern of the non-expert, for example, tourists or first-time buyers, on price-gouging.

Ms. Schempf also offered several suggestions on which trade fairs to attend in an effort to gradually "ease" the Chantaburi firms into the global market, by working their way up the "chain" of trade fairs to reach different types of buyers.

The cluster reacted favorably to her suggestions. One of the larger and more successful firms in the cluster was preparing its own design package of jewelry and had even ran a local contest to attract new ideas on jewelry products. Another firm was working to improve its production process. Although operations still depend on skilled labor to cut and grind and polish the rough gem stones, slight improvements in the equipment, layout,



and lighting, for example, increased worker output. A third firm was developing its products for online display.

Much of the improvements are basic and unsophisticated. Nevertheless, the improvements represent a large step forward for firms that are typically family owned, with closed decision-making processes and with a strong reluctance to change the “traditional way of doing things”. Ms. Schempf’s suggestions also carried with them the effort to educate the cluster on considering marketing and branding as investments to build Chantaburi’s reputation.



TCI Activity Details:
GOOD AGRICULTURAL PRACTICES FOR HIGH-VALUE PRODUCE

The four “western provinces” that form TCI’s high-value agricultural produce (HVAP) cluster export okra, baby corn, and asparagus to Japan, China, and Europe. TCI’s engagement focuses on promoting “Good Agricultural Practices” (GAP). GAP-products are not organic or “chemically-free” vegetables. Rather, GAP-produce should conform to the strictest health and safety standards set by the importing countries. The “GAP-focus” was a result of a threatened ban by importing countries on Thai fruit and vegetable exports that contained above-average chemical traces. One response considered by the government was to implement a 100% inspection of produce, a process that the existing government agencies would not have been able to implement without considerable delays and increasing costs to the exporters. The growers raised this concern in their meetings with TCI, so TCI decided to focus on this issue instead of its “standard” approach of exploring strategies for improving productivity.

TCI began discussions with several stakeholders—the growers, the exporters, government agriculture, health, and technical services agencies to develop GAP. TCI also enlisted the support of the regional branch of Kasetsart University. The university’s faculty was already engaged in agricultural product research and package development in the area, and quickly became the secretariat for the GAP-effort. The university provided the secretariat and arranged for regular meetings, eventually running the meetings without the presence of TCI.

Since the European standards of quality and safety were among the strictest, and had fairly extensive documentation, Europe became the framework for the “Thai GAP”. The entire GAP-process included educating the growers, training the farmers and extension workers, providing standards for quality inspection, a process that required close cooperation between the government and the private firms. Then Vice-Minister of Commerce Piyutr Cholvijarn was instrumental in advancing the dialogue between the government agencies and the private firms, and accelerating cooperation towards a GAP-policy initiative.

TCI’s engagement in the western provinces started out a year ago with 30 families, and participation has since risen to 2,000 families and their farms. Furthermore, the western provinces became the “testing area” for the procedure. And since GAP in the western provinces appears to have been successful in promoting quality and safety, the process is being “rolled out” to other provinces and regions. TCI and its partners designed and printed a brochure on GAP. TCI is already developing the basic manual and its staff will run a program to “train the trainers” through a “traveling road show” to explain the components of the GAP-process to both farmers and extension workers.

By the close of the year, the cluster participants, including the government and Kasetsart University, were reasonably confident that they could establish a “seal of quality” for products of the western provinces that ultimately might be extended to other provinces



and farming areas of Thailand. Although this seal of quality represents a joint effort of the private and the public sector, nevertheless the GAP-initiative began with the private sector and it is still being carried out by the private sector participants, albeit with considerable government cooperation and assistance. (Please refer to the attached picture of the “Q” seal.) This seal will be used by producers that meet the GAP standards. Finally, TCI is now considering promoting GAP into the local markets, in order to provide similar standards of health and quality to Thai consumers and not just to the consumers of Japan and Europe.



TCI Activity Details:
Linking the University to the Private Sector:
The Marine/Seafood Cluster in the Southern Provinces

The marine/seafood cluster in the southern provinces, anchored in Songkhla, is the newest cluster TCI is engaged in. Work began in earnest in late September 2003, but the engagement has moved quickly. Part of the success may be attributed to the approach that TCI took in initiating the dialogue with the companies in the marine/seafood industries, which consist mainly of canned finfish and fresh and processed shrimp firms. The dialogue began not with meetings with the firms in the industry, but with the President and faculty of the Prince of Songkhla University. PSU is a well-known regional academic institution, with departments that undertake research on the key economic sectors of the south, seafood among them.

A TCI team went to PSU and TCI Manager Suvicha Mingkwan made a presentation to the faculty from different department and research units of PSU. The first meeting had several objectives: First, to underscore the role of an academic institution such as PSU in the development of a cluster. Second, to encourage PSU to develop courses in both the degree and non-degree programs on competitiveness and clustering, using the marine/seafood industry both as an example and as a target market. In subsequent meetings in October and November, TCI and PSU explored the potential for applying the “academic” research to resolve practical problems and opportunities facing the industry—from quality control to new product development.

At the same time, TCI began a series of meetings with the firms in the industry to assess the nature of the engagement. Both the canned finfish industry (mainly tuna, mackerel, and sardines) and the shrimp industry (both farmed and caught at sea) are part of a global industry. As such, competition is keen, and includes local and multinational corporations from both developing countries such as China and Indonesia, and developed nations, such as Japan and Korea. The industry in the south has a wide-ranging structure, from small-scale community fisher-folk to integrated deep-sea and canning joint venture operations. Among the firms that TCI met, there were joint ventures with Malaysians, Taiwanese and Japanese.

Problems in the industry also varied considerably, from low prices and government restrictions—in the case of the black shrimp dumping issue, to the current high-price of rubber, where the high price in turn created competition for labor and made it more difficult for canning factories to hire daily wage earners. At the same time, there were the “standard” problems of reducing the proportion of low-quality fresh raw materials, and improving factory operations to cope with rising costs (of fuel, for example). On the other hand, the discussions with PSU indicated the potential for developing new products, for improving the existing technology (for catching and processing the “raw materials”), and for moving up the value chain. For instance, packaging appeared to be a future opportunity area. The conversion of cheap fish feed-mill into more expensive food for ornamental fish appeared to be another niche opportunity to exploit.

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December 2003 ended with plans for a major conference in early January. The conference was expected to include the signing of a Memorandum of Understanding with the cluster, and actionable next steps for 2004. In addition, TCI would bring in speakers and press and television coverage from Bangkok. Finally, as an important industry in the south, the provincial governors were invited, given their own intention to become “CEO-governors” for their respective provinces.



Business Support Organizations Program Quarterly Activities Report (October to December 2003)

<i>BSOP Project Matrix – Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Standards of Practice Handbook: Certified Investment and Securities Analyst Program / Financial Governance	The Association for Investment Management and Research (AIMR) and the Securities Analysts Association (SAA) promoted a "code of ethics" for the Thai corporate sector by translating and adapting the AIMR's manual for the Thai environment.	To build up a strong ethics and professional standards program	SAA (Thai), AIMR (US)	The project was completed in September 2001.
Support programs related to the Chartered Financial Analyst Designation/ Financial Governance	AIMR experts traveled to Bangkok to conduct a workshop on Global Investment Performance Standards (GIPS). In addition , the 10-day review sessions in tutorial classes were delivered to prepare CISA/CFA candidates for level 1 and level 2, year 2002 exam, using Schweser materials.	to raise the quality of Thai practitioners in finance and capital markets.	SAA (Thai), AIMR (US), Schweser (US)	The project was completed in May 2002.
Upgrading the Capability of Accounting Instructors / Financial Governance	The Institute for Certified Auditors and Accountants of Thailand (ICAAT) developed accounting instructional aids including video tapes, computer programs and teacher's manuals to use in higher education with assistance from a US counterpart university.	Improved accounting standards particularly outside of Bangkok.	ICAAT (Thai), U.S. University	The project was completed in December 2002.
Comparative Study on Thailand's Savings and Investment Tax Policy / Financial Governance	The study was to examine the impact of Thailand's present tax structure on the financial and capital markets from both the economic and administrative aspects. The Security Exchange Commission of Thailand (SEC) asked for the Thai Development Research Institute with assistance from U.S. experts to conduct the study.	More attractive tax provisions for investors.	Thai SEC, TDRI, U.S. Counterpart	The project was completed in September 2001.

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<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Bankruptcy Court Administration Program Part I / <i>Legislative and Judicial Reforms</i>	The American Bankruptcy Institute (ABI) has provided technical assistance to the Thai Central Bankruptcy Court (CBC) in training and establishing systems to deal under the revised laws with the backlog of corporate bankruptcies.	To improve the capabilities of the CBC and develop a relationship between CBC & ABI	CBC (Thai) ABI (U.S.)	The project was completed in March 2002
Bankruptcy Court Administration Program Part II / <i>Legislative and Judicial Reforms</i>	As a result of ABI's recommendation in Part I of the program, additional technical assistance and training is to be given to CBC by the ABI-member team in area of IT. With BSOP support, the videoconferencing equipment was also installed at the CBC to connect with the Office of the Judiciary.	To increase the capabilities of CBC in handling bankruptcy cases.	CBC (Thai) ABI (U.S.)	The last training component in Thailand is pending.
Thai Bankers Handbook / <i>Corporate Governance</i>	Under a licensing agreement with the American Bankers Association (ABA), the Thai Institution for Banking and Finance Association (TIBFA) developed a handbook for all Thai Bankers by adopting ABA materials.	Completion and use of handbook throughout Thailand	TIBFA (Thai) ABA (U.S.)	TIBFA introduced a Thai Bankers' Handbook to 130 financial sector professionals and the media on March 14, 2003. The project was already completed.
Establishing TLAPS Linkage with APICS/ <i>International Competitiveness</i>	To continue its effort to establish a sustainable relationship with APICS, TLAPS will deliver a pilot training program for APICS certification. APICS CPIM certification consists of five modules. The pilot program includes five review courses to cover the CPIM's five modules. The results of the pilot program will determine future support for subsequent training programs.	To establish a sustainable relationship with APICS	TLAPS (Thai) APICS (U.S.)	The third review on "Detailed Scheduling and Planning (DSP)", the third module of CPIM, was held between November 20 - 22. The next review course is scheduled for February .

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<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Performance Audit Workshop / <i>Corporate Governance</i>	The training program was delivered as a two-week workshop introducing the fundamental principals, concepts, and methods of performance auditing. This workshop includes a three-day module on instructional skill to improve the ability of participants to pass on their newly acquired knowledge and skills to the Office of the Auditor General's auditors throughout the country.	To improve the capability of the OAG's auditors in performance auditing	OAG (Thai) GAO (U.S.)	The project was completed in April 2001.
Development and Implementation of the Strategic Framework and operational plan./ <i>Corporate Governance</i>	The US General Accounting Office and the Office of Inspector General, Department of Transportation (OIG/DOT) is providing technical assistance to increase the capabilities of the Office of the Auditor General of Thailand (OAG) and its officials in developing and implementing a new strategic framework and operational plan for OAG.	To devise the strategic framework and operational plan for OAG	OAG (Thai) GAO, OIG/DOT (U.S.)	Four delegates from OAG visited the U.S. organizations associated with state auditing between July 7 – 11, 2003 to learn more about best practices of the U.S. state auditing system. Ms. Suzanne Murrin, Director of Audit Planning and Technical Support, Office of the Inspector General, Department of Transportation, joined with the Thai experts to deliver the second workshop on OAG's Strategic Framework. The workshop was held between July 23 – 25 in Pattaya. The OAG strategic framework working group is working with the Thai expert team to finalize the strategic framework.



<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Building Capacity and Professional Standard for Property Valuation in Thailand / <i>Financial Governance</i>	The Appraisal Foundation (TAF) is providing technical assistance to the Securities Exchange Commission (SEC) to develop a single standard, code of ethics and its audit manual for Thai valuation profession. A single, neutral standard, code of ethics and audit manual for supervision will improve the transparency and accuracy of appraisals and will have a positive impact on financial and capital markets sector.	Single standard, code of ethics, and its audit manual for Thai valuation profession	SEC (Thai) TAF (U.S.)	The project was completed in this quarter.
ABIH Certified Industrial Hygienist Program / <i>International Competitiveness</i>	The Occupational Health and Safety at Work Association (OHSWA) of Thailand joined with the American Board of Industrial Hygiene (ABIH) to provide training and establish a certificate program	To upgrade the professional skills of Thai health officials and strengthen the relationship between OHSWA and ABIH	OHSWA (Thai) ABIH (U.S.)	The project was completed in September 2001.
Public Education Program on Credit Bureaus/ <i>Financial Governance</i>	The Fiscal Policy Office (FPO), and the Bank of Thailand (BOT) partnered with the U.S. Consumer Data Industry Association (CDIA), the Federal Trade Commission, and the Federal Reserve Board (FRB) to exchange knowledge and information on credit bureaus through public education programs.	To increase the awareness of credit information, credit reporting, credit bureaus, and the establishment and use of credit among the public, including private and government sectors	FPO, BOT (Thai) CDIA (U.S.)	The project was already completed.

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<i>Projects Approved for Funding</i>				
Large Grants				
Project Name / Objective	<i>Description</i>	Objectives/ outcomes	Partners	<i>Status</i>
SET Junior Achievement Thailand / <i>International Competitiveness</i>	The BSOP is providing support to the Thailand Securities Institutes (TSI) of the Stock Exchange of Thailand (SET) to organize, develop and deliver economics education programs for Thai youth and to promote Thai capital markets. Junior Achievement International (JAI), an International arm of the well-known US economic education organization, has provided the TSI with curriculum, education materials, and expert technical and training.	To promote the long-term development of the capital market and stock market in Thailand	SET-TSI (Thai) JAI (U.S.)	The project was completed in this quarter.
The Bond Market Development/ <i>Financial Governance</i>	The co-operation between Thai BDC and TBMA was focused on the technical assistance and consultation, translation and adaptation of standards materials, as well as the introduction of an appropriate organizations in the U.S. to provide training course to the Thai BDC. This cooperative program aim at developing bond market in Thailand.	To develop the bond market in Thailand	Thai BDC TBMA (U.S.)	The project was already completed in September 2002.
Secured Transaction Law Development and Implementation/ <i>Legislative and Judicial Reforms</i>	American Bankruptcy Institute (ABI) provided technical assistance to the Office of the Judiciary (OJ) to promote a new law on Business Secured Transaction in Thailand and to prepare the establishment of Registry Office	To promote a new Business Secured Transaction Law and to prepare for the establishment of a Registry Office	OCJ (Thai) ABI (U.S.)	The project was already completed in September 2002.
Community Leadership Training Program/ <i>Corporate Governance</i>	The Institute for Management Education for Thailand foundation (IMET) joined with The Community Leadership Association (CLA) to conduct a training on Community Leadership program to promote good community leadership throughout Thailand	To promote good community leadership throughout Thailand	IMET (Thai) CLA (U.S.)	The project was completed in September 2002

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<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Mediation Center for Financial Disputes Program/ <i>Legislative and Judicial Reforms</i>	American Bankruptcy Institution (ABI) provided technical assistance and training to enhance the efficiency and capabilities of a newly-established Mediation Centre for Financial Disputes (MCFD), including mediators, financial advisors, and staff.	To enhance the ability and creativity of mediators, financial advisors, and MCFD staff	DRO (Thai) ABI (U.S.)	The project was successfully completed in September 2002
Organic Inspection Training Program/ <i>International Competitiveness</i>	The Independent Organic Inspectors Association (IOIA) provided technical assistance to the Department of Agriculture (DOA) to develop the organic crops inspection process in Thailand	To build Thai government officer's capabilities to inspect organic crops	DOA (Thai) IOIA (U.S.)	The project was completed in June 2002.
Productivity and Workplace Improvement/ <i>International Competitiveness</i>	Occupational Safety and Health Association (OSHA) and the National Institute of Occupational Health and Safety (NIOSH) are joining with the National Institute for the Improvement of Working Conditions and Environment (NICE) to deliver a train-the-trainer program on "Productivity and Workplace Improvements" in Thailand.	To upgrade the skills of regional NICE officers.	NICE (Thai) OSHA (U.S.) NIOSH (U.S.)	The project has been pending.
Upgrading the Capabilities of Post and Telegraph Department's Staff for National Telecommunications Commission's Secretariat Office/ <i>Corporate Governance</i>	This training and technical assistance program is to upgrade the capabilities of the officials of the Post and Telegraph Department (PTD) in the preparation of the organization to be transformed into the Secretariat of the National Telecommunications Commission (NTC) which is to operate as an independent regulator regulating telecommunications, and promoting competition and liberalization.	To upgrade the capabilities of PTD's officials	PTD (Thai) FCC (U.S.)	The project was successfully completed in August 2003.

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<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Judicial Reform Project/ <i>Legislative and Judicial Reforms</i>	The Office of the Judiciary (OJ), the Federal Judicial Center (FJC), and the American Bar Association (ABA) have joined together to exchange knowledge and information on judicial reform issue. This training and technical assistance program aims to promote the application of new measures in the Thai courts in order to eliminate unnecessary delays and to improve efficiency in the court proceedings of economic cases.	To improve efficiency in the court proceedings	OCJ (Thai) FJC (U.S.) ABA (U.S.)	Two U.S. experts, including judge and court administrator traveled to Bangkok between August 25 – 29 to deliver a series of roundtable discussions to share the US experiences in judicial development. During their trip, they also joined with Thai judges to deliver a seminar on “Testimony Recording System for Court and Arbitration” for 300 participants, including judges, lawyers, and stakeholders.
USFDA-Approved Better Process Control Scholl (BPCS) in Thailand Year II and III/ <i>International Competitiveness</i>	The National Center for Genetic Engineering and Biotechnology (BIOTEC) has provided the assistance to King Mongkut’s University of Technology Thonburi (KMUTT) to establish USFDA approved BPCS in Thailand. BPCS is the first ever school in Thailand which aims to assist Thai food exporters of low-acid canned food (LACF) and acidified foods (AF) in exporting to foreign markets.	To establish a USFDA certified BPCS in Thailand	BIOTEC, KMUTT (Thai) Purdue Univ. (U.S.)	The project was already completed.
Internal Audit Quality Assessment – Professional Practices and Training on Quality Assurance Review Program/ <i>Corporate Governance</i>	The Institute of Internal Auditors (IIA-US) initiated its professional practice of rendering quality auditing services on Quality Assurance Review (QAR) program for Krung Thai Bank, and provided capacity building for its Thai affiliated IIA of Thailand (IIAT). This QAR services aims to assist the bank’s internal audit staff to improve its skills in operational auditing risk assessment and implementing of internal control.	To provide KTB with quality QAR services that will help improve its good governance.	KTB, IIAT (Thai) IIA-US (U.S.)	The project was completed in November 2002

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<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Capacity building for Internal Auditors profession Year II – Control Self Assessment Program/ <i>Corporate Good Governance</i>	The Institute of Internal Auditors (IIA-US) is joining with the Institute of Internal Auditors of Thailand (IIAT) to deliver a public education and to conduct professional training course on Control Self Assessment (CSA) Program for The Institute of Internal Auditors of Thailand's members in building capacity for internal auditor profession.	To improve Thailand's financial and corporate governance through the education of internal auditors profession.	IIAT (Thai) IIA-US (U.S.)	KIAsia is working with IIA (U.S.) to define the U.S. trainer.
IPR Management Training Program/ <i>International Competitiveness</i>	The International Intellectual Property Institute (IIPI) and BIOTEC will join together with KIAsia and other key stakeholders to contribute to a roadmap for national IP development and provide intellectual property management training for researchers, potential biotech entrepreneurs, investors and SMEs to promote bioentrepreneurship in Thailand and build the IPR commercialization skills of a core group of KIAsia Intellectual Property consultants.	To develop and deliver a course for entrepreneurs, researchers and bioentrepreneurs on IPR commercialization	BIOTEC, KIAsia (Thai) IIPI (U.S.)	The project has been approved on December 17, 2003.
Corporate Citizenship Training Program: Engaging the Private Sector for Sustainable Economic Progress – Phase I/ <i>Corporate Good Governance</i>	KIAsia's BSOP program, Thai experts from CSR Working committee and academics, and The Center for Corporate Citizenship at Boston College (The Center) will join together to deliver a series of training initiatives that promote private sector participation in local economic development.	To engage in social and economic development within their communities.	KIAsia, Thai experts (Thai) CCC (U.S.)	The project has been approved on December 17, 2003.



<i>Projects Approved for Funding</i>				
<i>Large Grants</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Developing the Rayong Livable Community: Proposal for the Economic Development Partnership Component/ <i>Corporate</i> Good Governance	BSOP is joining with Cornerstone Global Program, U.S. Economic Development Partnership Industrial Estate Authority of Thailand (IEAT), Dow Chemical Thailand, Ltd , and Rayong community, to implement the Economic Development Partnership in Rayong. Through this project, stakeholders in the Rayong community along with KIASia staff will gain hands-on experience in creating and sustaining an economic development partnership to (re)develop the Rayong province into a “livable community”.	To develop and sustain a pilot economic development partnership in Mab Tha Phut/Rayong that effectively addresses the community’s (re)development agenda	KIASia, Dow Chemical, IEAT (Thai) KIW, U.S. EDP (U.S.)	The project has been approved on December 17, 2003.



<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Technical Assistance for Thailand Rating Information Services (TRIS) / Financial Governance	Mr. Reed C. Parker, Volunteer Executive from IESC, had spent one month in Bangkok to provide technical assistance to TRIS in the area of credit rating from January 17 - February 11, 2000.	To strengthen Thai corporations' abilities to raise funds by improving the capabilities of TRIS in bond rating.	TRIS (Thai), IESC (US)	The project was completed in February 2000.
Technical Assistance for Thailand Rating Information Services (TRIS) - Trip # 2/ Financial governance	An expert from Financial Services Volunteer Corps (FSVC) is providing technical assistance and training on traditional credit rating methodology to TRIS analysts. The program will also include the on-the-job training on specific cases to be rated.	To strengthen the capabilities of TRIS in credit rating methodologies and procedures, securitization	TRIS (Thai), FSVC (US)	The project was already completed.
APICS-TLAPS Partnership / International Competitiveness	With BSOP Support, Mr. Richard Welch, former President of APICS to travel to Bangkok to attend the TLAPS conference and to build the relationship with TLAPS in May 2000. TLAPS President and Advisor also attended APICS conference held in October 2001 under BSOP support.	To establish long-term cooperation between TLAPS and APICS	TLAPS (Thai), APICS (US)	The project was already completed.
International Auditor Fellowship Program / Corporate Governance	The officials from the Office of the Auditor General (OAG) participated in an International Auditor Fellowship Program organized by the US General Accounting Office (GAO). The GAO Fellowship program, which supports the goal of the International Organization of Supreme Audit Institutions (INTOSAI) to strengthen auditing and financial management practices and promotes the sharing of information and experiences among Supreme Audit Institutions (SAI) throughout the world.	To improve the capabilities of the OAG staff and develop a relationship between OAG and GAO	OAG (Thai), GAO (U.S.)	Under BSOP support, two OAG staff, including Mr. Phaisarn Vorasetsiri (2000), and Mr. Karanee Butrameeboon (2001), participated in the GAO Fellowship program in U.S. The program was already completed.

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	Institutions (SAI) throughout the world.			
<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
The International Auditor Fellowship Program's field office placement 2000 / <i>Corporate Governance</i>	The program is a continuation of the International Auditor Fellowship program and is designed to provide the participant with training, which includes gaining practical experiences in designing and implementing audits.	To improve the capabilities of the OAG staff and develop a relationship between OAG and GAO	OAG (Thai) GAO (U.S.)	Mr. Phaisarn Vorasetsiri, the 2000 GAO Fellow, was selected to participate in the on-the-job training at GAO's field office in Chicago. The program was already completed.
Land Assessors' standard and procedures / <i>Financial Governance</i>	Mr. James Park, Director of Research and Technical Issues from the Appraisal Foundation (TAF) came over to hold talks with key Thai organizations involved in the land assessment in late August.	Improve knowledge of assessors in Thai assessment organizations	Association of Thai Assessors, TAF (U.S.)	The program was completed in August 2000.
Certificate for Occupational Health and Safety / <i>International Competitiveness</i>	BSOP provided financial support to Mr. Dan Agopsowicz, the Board Chair of the American Board of Industrial Hygiene to deliver a seminar to the Occupational Health and Safety at Work Association in Thailand	To initiate training programs and establish a certificate program to comply with the new Labour ACT.	OHSWA (Thai), ABIH (U.S.)	The program was already completed.

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SET Derivatives Program / Financial Governance	Mr. Robert B. Gilmore, an expert consultant, came to provide technical assistance and training to the Stock Exchange of Thailand (SET) to improve SET's knowledge of derivatives and systems to offer derivatives products.	To prepare the SET's staff for delivering of new derivatives products.	SET (Thai), U.S. partner	The program was completed.
Thai Credit Bureau / Financial Governance	With BSOP support, the executives from the Central Credit Information Services Co., Ltd. (CCIS) and the Thai Credit Bureau Co., Ltd., attended The Credit Reporting World Conference held by the US Consumer Data Industry Association (CDIA) in 2000 and 2002.	Better knowledge on credit bureaus	CCIS, TCB (Thai), CDIA (US)	The program was completed.
<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
BMA – Thai BDC Partnership/ Financial Governance	Mr. Michael Decker, Vice President of Research and Policy Analysis at the Bond Market Association (TBMA) held the meetings with the Thai Bond Dealing Centre (Thai BDC) and the Thai regulators in the area of bond market development in Thailand. This is the first step of building the partnership between Thai DBC and TBMA.	To build the partnership between Thai BDC and TBMA	Thai BDC, TBMA (U.S.)	The trip has been completed
International Pension Exchange Program/ Financial Governance	Three US. experts from Pacific Pension Institute (PPI) provided technical assistance to Government Pension Fund (GPF) of Thailand and gave their presentations at the "World Class Fund Management" conference held by GPF.	To educate GPF staff on pension fund management	GPF (Thai), PPI (U.S.)	The project was completed in May 2001.

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International Pension Exchange Program II/ <i>Financial Governance</i>	BSOP provided support for the expert from Pacific Pension Fund to deliver a 2003 Asian Pension Fund Roundtable Meeting to be held between December 11 - 12, 2003 in Bangkok.	To strengthen the standards and performance of national pension systems and to promote more effective and transparent corporate governance in the private sectors throughout the region	GPF (Thai), PPI (U.S.)	The project was approved in December 2003.
Secured Transaction Law Development and Implementation/ <i>Legislative and Judicial Reforms</i>	With BSOP support, Dr. Thammanoon Phitayaporn, to attend the International Colloquium on Secured Transactions to discuss the first preliminary draft Legislative Guide on Secured Transactions prepared by the Secretariat of the United Nations Commission on International Trade Law (UNCITRAL)	To share Thailand's views on Secured Transactions Law with international communities	OJ (Thai) UNCITRAL	The project was completed.
<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Thai Telecommunication Development/ <i>International Competitiveness</i>	Under BSOP support to the Post and Telegraph Department (PTD), the Communication Authority of Thailand (CAT) and the Telephone Organization of Thailand (TOT) sent the delegation to attend the "Southern Asian Telecommunications Regulatory Workshop" in Jakarta, Indonesia. In addition, the BSOP also has provided expert assistance to set up regulatory procedures for Thai National Telecommunications Commission (NTC).	To develop regulatory procedures for Thai NTC.	PTD (Thai), CAT (Thai), TOT (Thai), U.S. expert	The project was completed.

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Bankruptcy Law Reform Project/ <i>Legislative and Judicial Reforms</i>	Mr. George M. Kelakos made his preliminary trip to Bangkok to discuss the American Bankruptcy Institute (ABI)'s technical assistance in the issues related to bankruptcy law reform with the Council of State (COS).	To promote bankruptcy law reform in Thailand	COS (Thai) ABI (U.S.)	The project was completed in April 2002.
Judicial Administration and Reform Course/ <i>Legislative and Judicial Reforms</i>	With BSOP support, the Supreme Court of Thailand sent two judges to participate in Judicial Administration and Reform Course held in Sydney, Australia between June 2 – 21, 2002. The course was organized by the International Development Law Institute (IDLI) to review international and regional initiatives in the field of judicial administration and governance, and to provide forum for discussion of judicial reform issues arising in the Asia-Pacific region.	To promote judicial administration and reform	The Supreme Court (Thai), IDLI	The project was completed.
<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Judicial Capacity regarding Intellectual Property – Enforcement and Dispute Settlement/ <i>Legislative and Judicial Reforms</i>	Three senior judges from the Central Intellectual Property and International Trade Court participated in the conference on Judicial Capacity regarding Intellectual Property – Enforcement and Dispute Settlement held in Washington D.C., U.S. between September 12 – 13, 2002. The conference is	To share Thailand's experiences on IPR with international	IP&IT court (Thai), IIPI (U.S.)	The project was completed in September 2002

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	organized by the United States Patent and Trade Mark Office (USPTO) and the International Intellectual Property Institute (IIPi) to provide a forum for participants from developed and developing countries to share their experiences in Intellectual Property Enforcement and Dispute Settlement.			
The 5 th Annual Symposium on Intellectual Property Law: New Dimension in Present and Future/ <i>Legislative and Judicial Reforms</i>	BSOP provided partial support for the Central Intellectual Property and International Trade Court to organize the 5 th Annual Symposium on Intellectual Property Law: New Dimension in Present and Future. The symposium was held between December 2 – 3 in Bangkok.	To expose Thai public to international practices of IPR	IP&IT court (Thai), IIPi (U.S.)	The project was completed.
Workshop for bankers on negotiating and mediating NPL settlements effectively/ <i>Financial and Corporate Governance</i>	The BSOP in collaboration with the Thai Bankers' Association, Alternative Dispute Resolution Office, and the World Bank organized a one-day workshop entitled "Negotiating and Mediating NPL Settlements Effectively." The workshop was conducted by two U.S. experts from the American Bankruptcy Institute, Mr. Jacob Esher, Senior Mediator, JAMS, and Mr. George M. Kelakos, Special Counsel, Heller Ehrman Attorneys. The participants included 50 bankers and representatives from Thai Asset Management Corporation (TAMC) and the Corporate Debt Restructuring Advisory Committee (CDRAC) of the Bank of Thailand.	to promote mediation to resolved financial cases in the courts in order to strengthen Thailand's financial and judiciary systems	TBA, ADR (Thai), ABI (U.S.), World Bank	The activity was completed.
<i>Projects Approved for Funding</i>				
Small Grants				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status

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IP and Bioentrepreneurship Training Workshops/ <i>International Competitiveness</i>	Two US experts, Dr. Mark Tang of World Technology Ventures, and Dr. Frances Toneguzzo, Director of Licensing, MGH, Harvard Medical School, traveled to Thailand to deliver an introductory training course on IP Management to BAC consultants. Subsequently, KIASIA and BIOTEC co-organized a full-day workshop on “Bioentrepreneurship” on July 18, as part of the BioThailand 2003 conference in Pattaya. The US experts joined Thai and international experts presented to 80 researchers, entrepreneurs, government and corporate participants.	To raise the awareness concerning bioentrepreneurship in Thailand	KIASIA, BIOTEC (Thai), IPI (U.S.)	The activities were completed. A series of follow-up training courses are planned.
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AERA Regional Regulatory Dialogue Program Quarterly Activities Report (October – December 2003)

<i>AERA Regional Regulatory Dialogue Program – Projects Approved for Funding</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Dialogue projects in Thailand				
Strengthening Administrative Court Capacity: Judge Forum on Administrative Contracts	The experts from the U.S. Court of Federal Claims and other U.S. organizations will provide technical assistance to strengthen the capacity of the Thai Administrative Courts in hearing administrative contract disputes	To develop court policy guidelines on Administrative Contracts	OAC (Thai), U.S. CFC	The project was already completed in March 2003
Strengthening Administrative Court Capacity: Case Management and Court Administration	PADCO and KIAAsia is Facilitating a partnership between the Thai Administrative Courts and the U.S. Federal Judicial Center to strengthen the capacity of the Thai Administrative Courts in managing cases by raising awareness of senior judges on U.S. best practices and developing an action plan for implementing a recent assessment of the Court's case management capabilities by AusAID.	To develop guidelines on a Court policy for case management and court administration	OAC (Thai), U.S. CFC, FJC (U.S.)	The project was approved by the KIAAsia Working Group on September 22, 2003. OAC is planning for a consultation workshop to be held in February 2004.
Developing a Thai Class Action Law	The American Bar Association (ABA) is providing expert assistance to work with the Council of State (CoS), the Class Action Research Team, and the Class Action Subcommittee in developing the new Thai Class Action Law.	To develop the Thai Class Action Law	CoS (Thai), ABA (U.S.)	The project was successfully completed.

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<i>AERA Regional Regulatory Dialogue Program – Projects Approved for Funding</i>				
Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Dialogue projects in Thailand				
Developing a Thai Open Meetings Law	The Office of the Maryland Attorney General, PADCO and the Kenan Institutes will work with the, Council of State, the Open Meetings Law Subcommittee, and the research team to facilitate access to international and U.S. best practices in developing the new open meetings law by establishing direct linkages between Thai and U.S. practitioners and legal experts.	To develop the Thai Open Meetings Law	CoS (Thai), Office of Maryland Attorney General (U.S.)	The project has been approved on December 17, 2003.
Dialogue projects in Vietnam				
Supporting Development of an IP Court in Vietnam	In partnership with the USAID's Support for Trade Acceleration (STAR) project, PADCO is facilitating dialogue between Vietnamese and Thai judges and other counterpart agencies and organization to support the development of a specialized court or bench within the Vietnam Supreme People's Court to enable implementation of the U.S.-Vietnam Bilateral Trade Agreement (BTA). This program will include a series of integrated activities planned and implemented in cooperation with the STAR program.	To develop an Intellectual Property Court in Vietnam	Vietnam Supreme People's Court; Thai Central Intellectual Property and International Trade (CIPIT) Court	Two Thai judges from the Central Intellectual Property Court traveled to Hanoi, Vietnam to participate in and share legal experiences related to intellectual property at two seminars on IPR disputes held between June 23 - 27. The seminars, organized by the Supreme People's Court of Vietnam, aimed aim to address the aspects of Vietnam's intellectual property obligations under the Vietnam-U.S. Bilateral Trade Agreement and TRIPS.

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AERA Regional Regulatory Dialogue Program – Projects Approved for Funding

Project Name / Objective	Description	Objectives/ outcomes	Partners	Status
Dialogue projects in Vietnam				
Regional Dialogue on Public Participation in Government Decision Making	PADCO, KIAAsia and The Asia Foundation is to facilitate linkages between Vietnam and Thailand on public participation related to their on-going efforts to develop new legal frameworks, and in addition will launch a regional forum on public participation. Activities will include: (1) focused exchange between Vietnam and Thailand, and (2) a linked regional seminar in Bangkok. Participants will include legislators, agency officials and civil society leaders from Indonesia, Philippines, Thailand and Vietnam.	To promote public participation in Vietnam	Vietnam Office of the National Assembly; Thai Council of State, the Asia Foundation	The Vietnamese delegation from the Office of National Assembly traveled to Bangkok for the observational program and workshop on public participation between July 7 –11, 2003.

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Border Action Against Malaria

BAAM Projects Approved for Funding				
Large Grants				
Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Strengthening of Sentinel Surveillance System for Anti-malarial Drug Resistance in Thailand / Surveillance of MDR Malaria	<p>With the Malaria Group of the Bureau of Vector-Borne Diseases (MOPH) as focal point, the ADR surveillance network comprises malaria clinics under responsibility of regional Vector Borne Disease Control Offices 1-5, provincial and district community hospitals, and academic field research stations. Nine border provinces with high malaria incidence are selected as sentinel sites, <i>i.e.</i>, Chiang Mai, Mae Hong Son, Tak, Kanchanaburi, Ranong, Ratchaburi, Ubon Ratchathani, Chanthaburi, and Trat. Main activities are:</p> <ol style="list-style-type: none"> 1. Training on <i>in vivo</i> therapeutic efficacy assessment and <i>in vitro</i> sensitivity study; 2. <i>In vivo</i> therapeutic efficacy assessment of the first line treatment regimens; 3. <i>In vitro</i> sensitivity study of the currently used anti-malarial drugs; 4. Establishment of an information center for ADR network at the Malaria Division. 	<ol style="list-style-type: none"> 1. To establish a network of sentinel surveillance sites for monitoring anti-malarial drug resistance in Thailand 2. To study the current situation of anti-malarial drugs in Thailand both <i>in vivo</i> and <i>in vitro</i> 3. To strengthen the cooperation among sentinel sites in country and among neighboring countries towards sharing anti-malarial drug resistance information 	<ol style="list-style-type: none"> 1. The Malaria Group, Bureau of Vector-Borne Diseases 2. Provincial and district hospitals 3. Mahidol University 4. Siriraja Hospital 5. Thammasat University 6. The Royal Thai Armed Forces Research Institute for Medical Science 7. WHO 	<p>Initial training completed; sentinel surveillance by <i>in vivo</i> therapeutic efficacy study and <i>in vitro</i> sensitivity study of the currently used anti-malarial drugs is on-going in 9 sentinel sites.</p> <p>Results of monitoring drug resistance in were analyzed at national technical workshops in 2002 and 2003. Revisions to sites where combination therapy is recommended as first-line therapy and revised treatment regimen is being finalized. The national malaria drug policy committee is revising manuals on treatment guidelines for physicians and health workers.</p>

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BAAM Projects Approved for Funding

Large Grants

Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Community-Based Malaria Control Along the Thai-Cambodia Border Through Civic Partnerships in Chantaburi and Trat Provinces / <i>Health System Reform –Decentralized Response Strategies and Effective Partnership Models</i>	The main concept of the project is to strengthen community involvement in malaria control and toward self-reliance in the long run through the process of standardized method of working for prevention, cure, and control, by community-based work to improve the potential of community and local agencies to address the malaria problem by themselves with support by related health personnel and other multi-disciplinary teams.	<ol style="list-style-type: none"> 1) To initiate malaria epidemiology information center in the community. 2) To improve prevention in high-risk groups. 3) To promote community participation in solving problem of prevention in high-risk groups, and promote use of dipstick test for early diagnosis. 4) To promote community participation to address malaria with support by government organizations 5) To build capacity of health personnel and volunteers, including health personnel from Cambodia border areas if requested to create a network for disease control by communities themselves in the long run. 	<ul style="list-style-type: none"> • MOPH, VBDC, VDDUs • Chantaburi and Trat Provincial Public Health Offices • District Health Offices and Health Centers • Schools • High-risk groups • Village health volunteers • Government agencies • Community leaders 	<p>Orientation workshops on conducted, community civil-society forums on malaria problem, analysis, and action planning conducted in Chantaburi and Trat Provinces.</p> <p>Training on use of GIS for malaria control conducted in Chantaburi Province.</p> <p>Workshop conducted on community epidemiology for multi-sectoral local malaria control core participants in Trat Province, and training held on improved diagnosis and treatment of malaria in Trat Province.</p> <p>Community malaria core teams established and trained; stakeholder awareness and planning sessions conducted for community-based control projects..</p>

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BAAM Projects Approved for Funding

Large Grants

Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Developing and producing dipstick dye immunoassays utilizing dye particle-linked monoclonal antibodies developed against pLDH and pGAPDH for malaria antigen detection / Increased Access to Rapid Parasitological Diagnosis and Effective Treatment	<p>Preparing and purifying pLDH and pGAPDH for raising monoclonal antibodies, followed by research and development to determine the feasibility of local production of dipstick dye immunoassays utilizing dye particle-linked monoclonal antibodies developed against pLDH and pGAPDH for malaria antigen detection of both <i>P. falciparum</i> and non-<i>P. falciparum</i>.</p> <p><i>General objective: To locally produce a rapid, simplified, reliable and maximized sensitivity dipstick dye immunoassay utilizing dye particle-linked monoclonal antibody against pLDH and pGAPDH for detecting malaria antigens of falciparum and non-falciparum malaria in human blood by using our national resources.</i></p>	<ol style="list-style-type: none"> To raise/characterize MABs against pLDH and pGAPDH, maximize test sensitivity, genetic diversity to the <i>P. f.</i> parasite population, and not react to non-malaria antigen. To develop a rapid, simplified, sensitive, and specific dipstick assay to detect asexual erythrocytic stage of <i>P.f.</i> and non-<i>P.f.</i> To increase sensitivity, aiming at 100% for densities of >100 parasites per µl blood in four species. To improve readability of tests (better signal intensity & avoidance of mix-ups). To evaluate relative sensitivity/specificity of the antigen detection dipstick method for <i>P. f.</i> malaria field diagnosis compared to microscopy. To set up a quality control system for sensitivity and specificity. 	<ol style="list-style-type: none"> The Bureau of Vector-Borne Diseases, Department of Disease Control, MOPH National Institute of Health, Department of Medical Sciences, MOPH 	<p>Cloning and expression of pLDH in <i>E. coli</i> by genetic engineering obtained expressed fusion protein. By affinity purification, the protein obtained had high purity and good yield, and these proteins show the pLDH enzyme activity; Pre-immunized sera of rabbits were determined for the reactivity with pLDH and GST proteins by western blot analysis. Reactivity of the immunize sera was characterized by western blot analysis, followed by standardization of ELISA assay, determination of appropriate blocking solution in ELISA assay, and titration of polysera, which showed that the titer of reactivity with GST was lower than pLDH about 10-100 fold, indicating that the sera could react with pLDH with more specificity than GST.</p>

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BAAM Projects Approved for Funding

Large Grants

Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Partnerships for a School-based Approach to Community Action Against Malaria / <i>Effective Partnership Models</i>	<p>The project builds partnerships to develop a model for a school-based approach to community action against malaria as a strategy for developing knowledge, attitudes, skills and behavior necessary for community-based self-reliant action against malaria in highly endemic border. The model comprises the following key elements:</p> <ul style="list-style-type: none"> • A process for participatory learning and action against malaria by the school and community; • Use of case study approach on a whole school basis to study the local malaria situation and identify alternative solutions; • Use of life skills education methods to enhance the case study approach and develop/change behavior to prevent and reduce malaria; • Development of learning materials to support discovery learning; • Mobilization of communities for self-reliant action against malaria; • Provision of technical support to schools and communities; • Leveraging resources from local sub-district councils to support community malaria prevention and control plans and projects <p>Phase II (replication trials) began in October 2002 with expansion to include 40 schools in Tak, Mae Hong Son, Chiang Mai, Chantaburi, and Trat Provinces.</p>	<ol style="list-style-type: none"> 1. To strengthen capacity of schools and teachers to facilitate participatory learning and action by students and communities to prevent and control malaria. 2. To raise awareness and mobilize community action to prevent and control malaria. 3. To set up an example of a working model with multi-sectoral organizations collaborating as equal stakeholders. 4. To build on lessons learned and best practices for expansion of coverage to other endemic border areas facing increasingly multi-drug resistant malaria. 	<ul style="list-style-type: none"> • Ministry of Education - Office of National Primary Education Commission: Office of Special Projects, Office of Supervision and Standards, Offices Provincial Primary Education Commissions in Tak, Mae Hong Son, Chiang Mai, Chantaburi, Trat • Health Behavior Development Group, Malaria Division • Regional Disease Control Offices, Vector Borne Disease Control Centers and Units • The Life Skills Development Foundation • Rajabhat Institute Chiang Mai • Border Patrol Police Bureau 	<p>Phase I (model-building): 200 teachers, principals, education supervisors from 25 schools in 4 districts received 25 days of training in 5 workshops. Students completed community malaria situation assessments, analyzed alternatives, and shared with community leaders in consultation workshops to reach consensus on action plans and projects. Community-generated malaria control projects were screened and approved for funding support. A participatory process evaluation was conducted in August 2002</p> <p>109 grade 4-9 teachers/supervisors from 15 expansion schools received 15 days training, conducted surveys of community health problems and malaria KAP, teachers trained and in-depth malaria situation analyses completed in 15 expansion communities; analysis of alternatives for action underway.</p>

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BAAM Projects Approved for Funding

Small Grants				
Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Thailand Roll Back Malaria Strategic Planning Workshop / <i>Effective Partnership Models</i>	<p>BAAM Project Coordinating Unit organized a multi-agency gathering of key stakeholders in malaria control. Working group sessions were held to obtain input on key strategies for renewed joint efforts to control malaria with special focus on border areas and multi-drug resistant malaria. Deliberations focused on the following thematic areas:</p> <ul style="list-style-type: none"> • Diagnosis, treatment, case management • Community/household prevention • Epidemiology, surveillance, mapping, GIS • Decentralization, health system reform, responsibilities, and processes for community participation • Staff capacity building and training methodologies • Participatory learning processes, and prototypes for action in target communities • International organizations/agencies and their contribution to Thailand Roll Back Malaria <p>The thematic working groups presented results of their discussions in the form of recommended strategies, activities, support needed, and potential partner agencies for comments and plenary discussion.</p>	<ol style="list-style-type: none"> 1. To seek approaches and mechanisms for mutual cooperation for more successful malaria control. 2. To provide an opportunity for all stakeholders to present experience and share ideas to move toward formulation of key joint strategies for collaboration in systematically advancing as appropriate and necessary. 	<ul style="list-style-type: none"> • MOPH • Mahidol University • Thai and US AFRIMS • Royal Project Bureau • Royal Thai Army • Border Patrol Police Bureau • Hilltribe Welfare Division, Ministry of Labor and Social Welfare • Office of the National Economic and Social Development Board • Office of the National Primary Education Commission • The Life Skills Dev. Foundation • IMPECT • IRC • ACTMalaria • MSF • PATH Canada • UNICEF • WHO • USAID 	<p>Workshop completed in July 2000. Participants from the wide range of organizations involved in anti-malaria efforts in Thailand were able to achieve a considerable degree of consensus on four principal strategies for rolling back malaria in Thailand.</p> <ol style="list-style-type: none"> 1. Surveillance and response: epidemic preparedness, prevention and control 2. Early diagnosis, prompt and effective treatment 3. Household and community prevention 4. Health system reform and decentralization to support local self-reliance in malaria control 5. Collaboration and coordination with equal partnerships among local implementing agencies <p>Program strategies, operational strategies, and potential partner agencies were compiled into a national strategic framework for Roll Back Malaria in Thailand.</p>

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BAAM Projects Approved for Funding

Small Grants				
Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Participatory action research planning workshop in Chantaburi Province / Effective Partnership Models	Following on focus group discussions conducted with more than 200 malaria high-risk villagers in Chantaburi Province, MOPH Vector Borne Disease Control Office No. 5 organized a planning workshop with local government officials, informal employers and high-risk forest-related occupation groups from Pong Nam Ron and Soi Dao Districts. Working groups provided input into formulation of proposals for subgrants to support development of appropriate interventions for a community-based approach to malaria control in Thai-Cambodian border areas.	<ol style="list-style-type: none"> 1. To review results of focus group discussions with malaria high-risk groups. 2. To generate input on interventions emphasizing self-reliance. 3. To identify collaborating partners and their potential roles. 	<ul style="list-style-type: none"> • MOPH VBDONo. 5, VBDC, VDDUs • Chantaburi Provincial Public Health Office • District Health Offices and Health Centers • Border Patrol Police • Royal Thai Marines • Principals and teachers • Informal employers • High-risk groups • Village health vols. 	Workshop completed in August 2001. Input used to formulate action research proposal planned for funding in FY 2002. Implementation underway on community-level epidemiology system using GIS and community awareness raising interventions.
Participatory action research planning workshops in Trat Province / Effective Partnership Models	MOPH Vector Borne Disease Control Office No. 5 organized two planning workshops in Trat Province, with local government officials, informal employers, subdistrict council members, and high-risk forest-related occupation groups from Bo Rai, Muang, and Klong Yai Districts. Working groups provided input into formulation of proposals for subgrants to support development of appropriate interventions for a community-based approach to malaria control in Thai-Cambodian border areas. These workshops were followed by consultations with key officials of Vector Borne Disease Control Office No. 5 on formulating a proposal for subgrant support from BAAM.	<ol style="list-style-type: none"> 4. To review results of focus group discussions with malaria high-risk groups. 5. To generate input on interventions emphasizing self-reliance. 6. To identify collaborating partners and their potential roles. 	<ul style="list-style-type: none"> • , MOPH VBDO No. 5, VBDC, VDDUs • Chantaburi Provincial Public Health Office • District Health Offices and Health Centers • Border Patrol Police • Royal Thai Army and Marines • School Principals and teachers • Informal employers • High-risk groups • Village health vols. 	Workshops completed in November 2001. Input used to formulate action research proposal planned for funding in FY 2002. Implementation underway on community-level epidemiology system and community awareness raising interventions.

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BAAM Projects Approved for Funding

Small Grants				
Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
USAID Roll Back Malaria Partners' Meeting: Informal Consultation on Monitoring Anti-malarial Drug Quality and Use Practices / <i>Surveillance of MDR Malaria</i>	BAAM Project Coordinating Unit organized a series of meetings from September 12-14, 2001 for consultations on monitoring drug quality and use practices among representatives of USAID Roll Back Malaria partners in Thailand, Cambodia, the U.S.A, and WHO.	<ol style="list-style-type: none"> 1. To identify important issues related to drug quality control and drug use practices in border areas; 2. To identify priority actions needed to initiate study and monitoring of drug quality and use practices as components of sentinel surveillance; 3. To identify potential implementing actors in study and monitoring of drug quality and use practices; 4. To identify opportunities for technical cooperation, and support needed to implement study and monitoring of drug quality and use practices. 	<ul style="list-style-type: none"> • USAID • WHO • Royal Thai Government Ministry of Public Health • Cambodian Ministry of Health • US Pharmacopeia • Management Sciences for Health • ACTMalaria • KIAAsia - BAAM PCU 	The consultation meetings are completed. The consultations resulted in identification of important issues and priority actions needed to initiate/implement study and monitoring of drug quality and drug use practices as integral components of sentinel surveillance of anti-malarial drug resistance with a focus on Thailand and Cambodia.

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Training of village health/malaria volunteers and sub-district council members / <i>Health System Reform – Decentralized Response Strategies and Effective Partnership Models</i>	BAAM Project Coordinating Unit collaborated with VBDO Nos. 1 and 2 to organize 2 training workshops for village health/malaria volunteers and sub-district council members on in-depth community malaria situation analysis; prevention, control and treatment of malaria; and coordinating planning for community action against malaria.	<ol style="list-style-type: none"> 1. To increase knowledge, attitudes and behavior related to malaria. 2. To understand analysis of risk and community malaria epidemiological situation. 3. To prepare for collaboration with schools in analyzing alternative actions and formulating community malaria action plans. 	<ul style="list-style-type: none"> • VBDO No. 1 and 2, VBDCs and VBDOs • Village health/malaria volunteers • Sub-district council members • Provincial Primary Education Offices • The Life Skills Development Foundation • BAAM PCU 	Training workshops were completed in February 2002. Volunteers and sub-district council members from communities served by 25 schools in 4 districts have increased knowledge about malaria, situation/risk analysis, and are prepared to collaborate in school-community malaria action planning workshops in July 2002.
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BAAM Projects Approved for Funding

Small Grants				
Project Name / Objective	Description	Objectives/ Outcomes	Partners	Status
Write shop to summarize one year implementation of the Partnerships for a School-based Approach to Community Action Against Malaria Project / <i>Effective Partnership Models</i>	BAAM Project Coordinating Unit collaborated with the Special Projects Office of the Office of the National Primary Education Commission to organize a write shop to summarize implementation at the whole-school level and at each grade level from kindergarten to grade 9 under the Partnerships for a School-based Approach to Community Action Against Malaria Project.	<ol style="list-style-type: none"> 1. To summarize results of first year implementation including learning processes, curriculum linkages, and teaching plans. 	<ul style="list-style-type: none"> • Special Projects Office of the Office of the National Primary Education Commission • Provincial and District Offices of Primary Education • The Life Skills Development Foundation • BAAM PCU 	Write shop completed in April 2002. Representatives of 25 schools in 4 districts summarized implementation, learning processes, content, life skills, problems, and solutions.

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Transfer of technology training on preparing and purifying pLDH and pGAPDH for raising monoclonal antibodies / <i>Increased Access to Rapid Parasitological Diagnosis and Effective Treatment</i>	Dr. Pongwit Bualombai of the Malaria Division was sent to the University of Manchester to participate in a short training course on preparing and purifying pLDH and pGAPDH for raising monoclonal antibodies. If this is successful, it will be followed by research and development to determine the feasibility of local production of dipstick dye immunoassays utilizing dye particle-linked monoclonal antibodies developed against pLDH and pGAPDH for malaria antigen detection of both <i>P. falciparum</i> and non- <i>P. falciparum</i> .	1. Transfer of technology on preparing and purifying pLDH and pGAPDH for raising monoclonal antibodies	<ul style="list-style-type: none"> • Malaria Division, Department of Communicable Disease Control, MOPH • National Institute of Health, Department of Medical Sciences, MOPH 	Dr. Pongwit Bualombai is undergoing training at the Department of Molecular Biology, University of Manchester, and will return in July.
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Thailand Competitiveness Initiative Matrix

New Cluster Name (& Location)	Digital Content (Bangkok)	High-Value Horticultural Produce (in the Western Provinces)	(Chantaburi) Gems & Jewelry	(Chiang Mai) Tourism	(Southern Region) Marine Food
Starting Date	9/03	11/03	2'04	7'04	9'04
Product-Market	Primarily animation, some web graphics and gaming, but NOT software. To local & export markets	Okra, Baby Corn, Asparagus, Chilies, primarily to Japan, some to China & Europe. Local market for non-export grade produce.	Colored stones (not diamonds) primarily sapphires and rubies, and other semi-precious stones. Sold through Bangkok (for local & export markets).	Both local and foreign tourists	Canned Finfish (tuna, mackarel, etc.) and "semi-processed" shrimp (fresh frozen) for export to Japan
Importance of the Cluster (to the national government)	Part of a "world-class" image. Need to "catch-up" with other countries (Korea, Singapore, Taiwan)	Due to proximity, area is a major supplier to Bangkok & export markets.	Known in the international trade as one of the centers of gem processing. Exports MAY be 25% of Thai total.	#3 destination. "Hub" for the multi-country "Lan Na Culture". PM's home province.	Thailand is a major global supplier & south is the second largest source in Thailand, employs Muslims.
Principal Partners	4 largest firms, SIPA	Kasetsart U., Department of Agriculture	PSFG, Chantaburi Gem & Jewelry Traders' Association, World Sapphire	Chiang Mai Business Tourist Association, Chiang Mai U.	PSU, FTI, 3 largest firms
Overall Strategy	To develop Thai animation resources (people, equipment, products) to make Thailand one of the regional centers for the global digital content industry.	To be the supplier to the export & local markets of high-quality & chemically safe vegetables.	3 Stages: (1) The cluster is THE processor of certified quality (to export buyers). (2) Chantaburi as the "Intel-in-the-PC". (3) Move up the value chain with unique jewelry lines.	Differentiate using the "Lan Na Culture" & "Chiang Mai Charm" to increase average daily expenditures for off-season tourism, & middle-segment MICE.	To develop higher-margin, specialty products for export niche markets (to partly of the "commoditization" of & shrimp exports)

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Action Initiatives (primary on-going & planned)	TAM 2003 & 2004	GAP	Bangkok International Trade Fair, Shanghai Trade Fair	12 new products for joint development between PSU selected firms.
Impact-to-Date (Qualitative)				
Potential Impact (Quantitative)				

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